

Muzinich Aviation Income Fund (mAIR)

Prospectus

Supra Institutional Class – AIRSX Institutional Class – AIRLX Investor Class – AIRIX

August 26, 2026

The Fund. The Muzinich Aviation Income Fund (mAIR) (the “Fund”) is a newly organized Delaware statutory trust. The Fund is a non-diversified, closed-end management investment company that will continuously offer its common shares of beneficial interest, no par value per share (the “Shares”), and will operate as an interval fund.

Investment Objective. The Fund seeks to provide total return primarily consisting of current income. There can be no assurance that the Fund will achieve its investment objective. See “The Fund’s Investment Objective and Strategies” and “Risks of the Fund.”

Principal Investment Strategy. Under normal circumstances, the Fund will invest at least 80% of its net assets, plus the amount of any borrowing for investment purposes, in securities and other investments in Aviation Assets. For purposes of the 80% policy, the Investment Manager considers “Aviation Assets” to include (i) debt secured by and/or used to finance commercial passenger and freighter aircraft and/or aircraft engines and/or other assets primarily used in the aviation industry; (ii) aviation-related corporate debt, including primary and secondary issuances of bonds, loans, securitized debt and trade claims, issued by entities or companies whose business or revenues relate primarily to the production, servicing, operation and use of commercial passenger and freighter aircraft and/or aircraft engines and the provision of passenger, cargo and aviation services, as reasonably determined by the Investment Manager; and (iii) corporate debt and equity securities of issuers whose revenues are primarily derived from, or whose assets are primarily used or invested in, the aviation industry, as reasonably determined by the Investment Manager. The Investment Manager considers the term primarily to mean at least 50% of an issuer’s revenues or assets, respectively.

The Fund seeks to achieve its investment objective by investing primarily in aviation-related debt instruments and securities. The Fund may invest in debt secured by commercial passenger and freighter aircraft and/or aircraft engines including, but not limited to, asset-backed securities, collateralized loan obligations, direct loans and syndicated loans. The Fund also will invest in debt issued by special purpose vehicles that own, finance, and lease commercial passenger and freighter aircraft and/or aircraft engines, and such debt will be secured by aircraft, aircraft engines or parts, or aircraft leases.

The Fund may use leverage for investment purposes and may borrow money for temporary or liquidity purposes using bank borrowings or similar financing arrangements to the extent permitted by the Investment Company Act of 1940, as amended. See “Risks of the Fund—Operational and Fund Structure Risks—Leverage Risk” at page 37.

Investment Manager. The Fund’s investment manager is Muzinich & Co., Inc., a Delaware corporation. As of April 30, 2026, Muzinich had approximately \$43.4 billion in assets under management.

The Offering. The Fund will continuously offer Supra Institutional Class Shares, Institutional Class Shares, and Investor Class Shares. Shares will be sold at a public offering price equal to their net asset value (“NAV”) per share, plus any applicable sales charge. The Fund is offering on a continuous basis an unlimited number of common shares of beneficial interest. See “Purchasing Shares.” The Fund has received an exemptive order from the SEC that permits the Fund to offer more than one class of Shares. Institutional Class Shares are currently being offered, and Supra Institutional Class and Investor Class Shares are available for future sale. The Fund may offer additional classes of Shares in the future.

	<u>Offering Price</u>	<u>Proceeds to Fund⁽¹⁾</u>
Supra Institutional Class Shares	Current NAV	Amount Invested at Current NAV
Institutional Class Shares	Current NAV	Amount Invested at Current NAV
Investor Class Shares	Current NAV	Amount Invested at Current NAV

- ^{1.} The Fund's organizational costs of approximately \$43,500 will be borne by the Fund. The Fund's offering expenses of approximately \$97,222 will be borne by the Fund and are amortized over a 12-month period.

Interval Fund. The Fund operates as an interval fund. The Fund's Board of Trustees (the "Board") has adopted a fundamental investment policy, which may only be changed by a majority vote of shareholders, to make quarterly offers to repurchase between 5% and 25% of its outstanding Shares at NAV. The Fund currently intends to offer to repurchase 5% of the Fund's outstanding Shares quarterly. It is possible that a repurchase offer may be oversubscribed, with the result that shareholders may only be able to have a pro rata portion of their shares repurchased. Accordingly, although the Fund will make quarterly repurchase offers, investors should consider the Fund's shares to be of limited liquidity. Shareholders will be notified of each quarterly repurchase offer and the date the repurchase offer ends ("Repurchase Request Deadline"). The time between the notification to shareholders and the Repurchase Request Deadline is generally 30 days, but may vary from no more than 42 days to no less than 21 days. The Fund expects the first Repurchase Request Deadline to occur no later than six months after the initial effective date of this registration statement. The Fund may charge an early repurchase fee equal to up to 2% of the net asset value of Shares that are repurchased to the extent that the repurchased Shares were held by the shareholder for less than one year on a first-in, first-out basis. See "Risks of the Fund—Repurchase Offer Risk" and "Periodic Repurchase Offers."

Investment Risks. Investors should carefully consider the Fund's risks and investment objective, as an investment in the Fund may not be appropriate for all investors and is not designed to be a complete investment program. An investment in the Fund should be considered speculative and involving a high degree of risk. It is possible that investing in the Fund may result in a loss of some or all of the amount invested. Before making an investment/allocation decision, investors should (i) consider the suitability of this investment with respect to an investor's investment objectives and personal financial situations and (ii) consider factors such as an investor's net worth, income, age, risk tolerance, and liquidity needs. Investment should be avoided where an investor has a short-term investing horizon and/or cannot bear the loss of some or all of their investment.

Before buying any of the Shares, you should read the discussion of the risks of investing in the Fund in "Risks of the Fund" beginning on page 20 of this Prospectus.

- **Shares are not listed for trading on any national securities exchange. Shares have no trading market, and no market is expected to develop. Even though the Fund will make periodic repurchase offers for its outstanding Shares, subject to the limitations described herein, investors should consider Shares of the Fund to be an illiquid investment.**
- **An investment in the Fund is not suitable for investors who need certainty about their ability to access the money they invest in the short term.**
- **The Fund focuses on investments in, or tied to, one or more industries that comprise the aviation sector and is subject to risks affecting the aviation sector including, among others general macroeconomic conditions, geopolitical instability, severe weather/climate change, supply chain and infrastructure disruptions, changes in fuel costs and cybersecurity risk, all of which can affect the demand for and cost of air travel.**
- **The Fund may invest without limit in high-yield securities, also known as "junk bonds." High-yield securities are subject to greater credit risk, valuation risk and liquidity risk than higher-rated securities.**
- **The Fund may engage in leverage, which creates a heightened risk for common shareholders. SPVs through which the Fund holds Aviation-Backed Debt and Leased Aircraft Assets (each as defined below) may themselves be leveraged and the Fund will be subject to the risks of the SPVs or other intermediary vehicles through which it invests.**

- **There is no assurance that the Fund will be able to make any distributions to its shareholders and, if it makes distributions, that they will not decline or that any distributions will be at any particular level or correspond to any particular yield.**
- **The Fund invests in complex structured investments which may subject the Fund to tax risk if it fails to comply with the requirements to qualify as a regulated investment company under the Internal Revenue Code of 1986, as amended. This risk is heightened upon a risk of default of the Fund's securities, particularly if the Fund or intermediary vehicles through which the Fund holds its investments, is forced to repossess aircraft or other physical assets securing its investments.**

The U.S. Securities and Exchange Commission has neither approved nor disapproved of these securities or determined that this Prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

Shares do not represent a deposit or obligation of, and are not guaranteed or endorsed by, any bank or other insured depository institution, and are not federally insured by the Federal Deposit Insurance Corporation, the Federal Reserve Board, or any other government agency.

This Prospectus sets forth concisely the information about the Fund that a prospective investor should know before investing in the Fund. Please read this Prospectus carefully and retain it for future reference. Additional information about the Fund, including a Statement of Additional Information dated August 26, 2026 (the "SAI"), has been filed with the SEC. The SAI is incorporated by reference into this Prospectus, which means it is part of this Prospectus for legal purposes. The Fund also will produce both annual and semi-annual reports that will contain important information about the Fund. Copies of the SAI and the Fund's annual and semi-annual reports, when available, may be obtained upon request, without charge, by calling 800-434-7317, by writing to the Fund at Muzinich Aviation Income Fund (mAIR), c/o U.S. Bank Global Fund Services, P.O. Box 219252, Kansas City, Missouri 64121-9252 or by visiting the Fund's website at www.MuzinichUSFunds.com. You may also call this toll-free telephone number to request other information about the Fund or to make shareholder inquiries. Information on, or accessible through, the Fund's website is not a part of, and is not incorporated into, this Prospectus. You may also access reports and other information about the Fund on the EDGAR Database on the SEC's Internet site at www.sec.gov/edgar/search/. You may get copies of this information, with payment of a duplication fee, by electronic request at the following email address: publicinfo@sec.gov.

The Fund has not authorized anyone to provide you with information other than that contained or incorporated by reference in this Prospectus. The Fund does not take any responsibility for and does not provide any assurances as to the reliability of, any other information that others may give you. The Fund is not making an offer of these securities in any jurisdiction where the offer is not permitted. You should not assume that the information contained in this Prospectus is accurate as of any date other than the date on the front of this Prospectus. The Fund's business, financial condition, results of operations and prospects may have changed since that date.

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PROSPECTUS SUMMARY

This is only a summary and may not contain all information that you should consider before investing in Shares of the Muzinich Aviation Income Fund (mAIR) (the “Fund”). You should review the more detailed information contained in this Prospectus and in the Fund’s SAI before investing in the Fund.

The Fund

The Fund is a newly organized, non-diversified, closed-end management investment company that will continuously offer its common shares (the “Shares”). A non-diversified fund may invest a greater proportion of its assets in a small number of issuers, and may be subject to greater risk and substantial losses as a result of changes in the financial condition or the market’s assessment of the issuers. The Fund will operate as an interval fund.

Securities Offered

The Fund will continuously offer Supra Institutional Class Shares, Institutional Class Shares, and Investor Class Shares. The Fund has received an exemptive order from the SEC that permits the Fund to offer more than one class of Shares. Institutional Class Shares are currently being offered, and Supra Institutional Class and Investor Class Shares are available for future sale. The Fund may offer additional classes of Shares in the future.

Supra Institutional Class Shares will be initially offered at \$25.00 per share, and thereafter will be offered on a continuous basis at NAV per share. For Supra Institutional Class Shares, the minimum initial investment is \$500,000 per account. There is no minimum subsequent investment amount.

Institutional Class Shares will be initially offered at \$25.00 per share, and thereafter will be offered on a continuous basis at NAV per share. For Institutional Class Shares, the minimum initial investment is \$100,000 per account. There is no minimum subsequent investment amount.

Investor Class Shares will be initially offered at \$25.00 per share, and thereafter will be offered on a continuous basis at NAV per share. For Investor Class Shares, the minimum initial investment is \$2,500 per account. The minimum subsequent amount of investment is \$500.

Minimum initial and subsequent investment amounts may be modified or waived by the Fund or the Investment Manager. See “The Distributor and the Distribution and Shareholder Service Plan” for additional information.

Periodic Repurchase Offers

The Fund is an “interval fund,” a type of fund that, in order to provide liquidity to shareholders, has adopted a fundamental investment policy, which may only be changed by a majority vote of Fund shareholders, to make quarterly offers to repurchase between 5% and 25% of its outstanding Shares at NAV. The Fund may charge an Early Repurchase Fee equal to up to 2% of the net asset value of Shares that are repurchased to the extent that the repurchased Shares were held by the shareholder for less than one year on a first-in, first-out basis. Subject to applicable law and approval of the Board, the Fund currently expects to offer to repurchase 5% of the Fund’s outstanding Shares at NAV quarterly. Written notification of each quarterly repurchase offer (the “Repurchase Offer Notice”) will be sent to shareholders at least 21 calendar days and not more than 42 calendar days before the Repurchase Request Deadline (i.e., the date by which shareholders can tender their Shares in response to a repurchase offer). Shares are not listed on any securities exchange, and the Fund does not anticipate that a secondary market will develop for its Shares. Accordingly, you may not be able to sell Shares when and/or in the amount that you desire. Investors should consider Shares of the Fund to be an illiquid investment. Thus, the Shares are appropriate only as a long-term investment. In addition, the Fund’s repurchase offers may subject the Fund and shareholders to special risks. See “Risks of the Fund—Repurchase Offer Risk” and “Periodic Repurchase Offers.”

Investment Objective

The Fund seeks to provide total return primarily consisting of current income. There can be no assurance that the Fund will achieve its investment objective.

Principal Investment Strategies

The Fund seeks to achieve its investment objective by investing primarily in aviation-related debt instruments and securities.

Under normal circumstances, the Fund will invest at least 80% of its net assets, plus the amount of any borrowing for investment purposes, in securities and other investments in Aviation Assets. For purposes of the 80% policy, “Aviation Assets” include (i) debt secured by and/or used to finance commercial passenger and freighter aircraft and/or aircraft engines and/or other assets primarily used in the aviation industry; (ii) aviation-related corporate debt, including primary and secondary issuances of bonds, loans, securitized debt and trade claims, issued by entities or companies whose business or revenues relate primarily to the production, servicing, operation and use of commercial passenger and freighter aircraft and/or aircraft engines and the provision of passenger, cargo, and other aviation services, as reasonably determined by the Investment Manager; and (iii) corporate debt and equity securities of issuers whose revenues are primarily derived from, or whose assets are primarily used or invested in, the aviation industry, as reasonably determined by the Investment Manager. The Investment Manager considers the term primarily to mean at least 50% of an issuer’s revenues or assets, respectively.

To pursue its investment objective, the Fund will invest in debt securities secured by aviation assets which may include asset-backed securities (“ABS”), private secured loans, collateralized loan obligations (“CLOs”), direct loans and syndicated loans, and other debt securities secured by commercial passenger and freighter aircraft and aircraft engines (collectively, “Aviation-Backed Debt”). The Fund also will invest in debt securities issued by special purpose vehicles (“SPVs”) that own, finance, and lease commercial passenger and freighter aircraft and/or aircraft engines, and such debt will be secured by the leased assets (“Leased Aircraft Assets”). The Fund will primarily invest in U.S. dollar (USD) denominated Aviation Assets. The Fund expects, under normal circumstances, to allocate not more than 75% of its Managed Assets (as defined below) in Aviation-Backed Debt and not more than 45% of its Managed Assets in Leased Aircraft Assets. The allocation between these and other Aviation Assets may fluctuate significantly depending upon various factors, including market and economic conditions, availability of investment opportunities, and fund subscription and repurchase activity.

The Fund may also invest in aviation-related corporate debt, including primary and secondary issuances of bonds, loans, securitized debt and trade claims, issued by entities or companies whose business or revenues relate primarily to the production, servicing, operation and use of commercial passenger and freighter aircraft and/or aircraft engines and the provision of passenger, cargo, and other aviation services.

The Fund may purchase assignments of, or participations in, loans made to various issuers, including distressed loans. Such investments may include senior secured, junior secured and mezzanine loans and other secured and unsecured debt that has been originated on a primary basis or that trade on the secondary market. The Fund may invest in commercial loans sourced by the Investment Manager.

To the extent consistent with the liquidity requirements applicable to interval funds under Rule 23c-3 under the Investment Company Act of 1940, as amended (the “1940 Act”), the Fund may invest without limit in illiquid securities.

Investment Process

First, the Investment Manager determines target asset allocations for the Fund, taking into account the attributes of the Fund’s pipeline of less liquid transactions and the Fund’s needs for more liquid holdings which could be used to satisfy investor requests for share repurchases. The Investment Manager makes the final allocation decision regarding the approximate percentage of the Fund that will be invested in each type of Aviation Asset and in each type of permitted liquid holding after comparing the potential risk and return posed by different investment opportunities across the credit quality, yield, and duration spectrum. The Investment Manager also considers the timing and reliability of settlement procedures for each type of fund investment to enable the Fund to manage cashflows.

Muzinich & Co., Inc. (“Muzinich” or the “Investment Manager”) selects debt instruments for the Fund’s portfolio by integrating company-specific and transaction-specific quantitative and qualitative factors with its broader economic outlook. This process relies on bottom-up fundamental analysis, considering managerial strength, commitment to debt repayment, anticipated cash flow, debt maturity schedules, borrowing requirements, use of proceeds, asset coverage, and earnings prospects. The Investment Manager also assesses the issuer’s industry outlook and competitive position, alongside factors such as legislation, regulation, litigation, transparency, market perspective, and

environmental, social, and governance (ESG) risks. The potential future liquidity of an issuer's debt and the protections provided to lenders within the documentation governing bonds, syndicated loans, private secured loans, ABS, or structured product issuances are also evaluated to inform the Investment Manager's security selection process.

In line with the Investment Manager's commitment to fundamental, bottom-up credit analysis across the portfolio, when evaluating Aviation Assets, the Investment Manager considers the financial strength and creditworthiness of airlines or leasing companies, using both quantitative metrics (profitability, liquidity, leverage, coverage ratios) and qualitative assessments (business model, network quality, ownership support, operating jurisdiction). The Investment Manager also assesses aircraft type, age, liquidity, operator base, maintenance condition, historical and forecasted valuations, and expected depreciation. The Investment Manager reviews loan-to-value levels, amortization, covenants, collateral packages, security assignments, cash-flow waterfalls, and recourse provisions.

Use of Leverage

The Fund may use leverage in an effort to increase its returns, subject to the restrictions of the 1940 Act. The Fund is permitted to obtain leverage using any form of financial leverage instruments, including funds borrowed from banks or other financial institutions, credit facilities, margin facilities, notes or preferred stock and leverage attributable to reverse repurchase agreements or similar transactions. The Fund is authorized to borrow money in connection with its investment activities, to satisfy repurchase requests from Fund shareholders, and to otherwise provide the Fund with temporary liquidity. The Fund expects to engage in leverage through borrowings, reverse repurchase agreements or similar financing agreements.

The Fund may choose to increase or decrease, or eliminate entirely, its use of leverage over time and from time to time based on the Investment Manager's assessment of the yield curve environment, interest rate trends, market conditions and other factors. By using leverage, the Fund seeks to obtain a higher return for its shareholders than if the Fund did not use leverage. Leveraging is a speculative technique and there are special risks and costs involved. There can be no assurance that a leveraging strategy will be used or that it will be successful during any period in which it is employed.

Certain types of leverage the Fund may use may result in the Fund being subject to covenants relating to asset coverage and portfolio composition requirements. The Fund may be subject to certain restrictions on investments imposed by one or more lenders or by guidelines of one or more rating agencies, which may issue ratings for any short-term debt securities or preferred shares issued by the Fund. The terms of any borrowings or rating agency guidelines may impose asset coverage or portfolio composition requirements that are more stringent than those imposed by the 1940 Act. The Investment Manager does not believe that these covenants or guidelines will impede it from managing the Fund's portfolio in accordance with its investment objective and policies if the Fund were to utilize leverage.

With respect to senior securities representing indebtedness, other than temporary borrowings as defined under the 1940 Act, the Fund is required under current law to have an asset coverage of at least 300%, as measured at the time of borrowing and calculated as the ratio of the Fund's total assets (less all liabilities and indebtedness not represented by senior securities) over the aggregate amount of the Fund's outstanding senior securities representing indebtedness. With respect to senior securities that are stocks, the Fund is required under current law to have an asset coverage of at least 200%, as measured at the time of the issuance of any such shares of preferred stock and calculated as the ratio of the Fund's total assets (less all liabilities and indebtedness not represented by senior securities) over the aggregate amount of our outstanding senior securities representing indebtedness plus the aggregate liquidation preference of any outstanding shares of preferred stock.

Investment Manager

Muzinich, a Delaware corporation, serves as investment manager to the Fund. Subject to the oversight of the Board, Muzinich is responsible for managing the investment activities of the Fund. Joseph Galzerano, Thomas Light, Torben Ronberg, and Alok Wadhawan are responsible for the day-to-day management of the Fund.

Muzinich, located at 450 Park Avenue, New York, New York 10022, is an SEC-registered investment advisory firm formed in 1988. In addition to the Fund, Muzinich currently provides investment advisory services to various onshore and offshore investment funds and separately managed accounts. Muzinich is controlled by George M. Muzinich, Executive Chairman, Director and Shareholder.

As of April 30, 2026, Muzinich had approximately \$43.4 billion in assets under management.

Distributions and Dividend Reinvestment Plan

The Fund intends to distribute substantially all of its net investment income to shareholders in the form of dividends. The Fund intends to declare income dividends quarterly and distribute them quarterly to shareholders of record. At least annually, the Fund also intends to distribute to you your pro rata share of any available net capital gain and taxable ordinary income, if any.

Although it does not currently intend to do so, the Board may change the Fund's dividend policy and the amount or timing of Fund distributions, based on several factors. Unless shareholders specify otherwise, dividends will be reinvested in Shares of the Fund in accordance with the Fund's dividend reinvestment plan (the "Dividend Reinvestment Plan"). The Fund may pay distributions from sources that may not be available in the future and that are unrelated to the Fund's performance, such as from offering proceeds and/or borrowings. See "Distributions" and "Dividend Reinvestment Plan."

Distributor, Custodian and Transfer Agent

Quasar Distributors, LLC serves as the Fund's principal underwriter and distributor. U.S. Bank National Association serves as the primary custodian of the Fund's assets. U.S. Bancorp Fund Services, LLC, d/b/a U.S. Bank Global Fund Services provides fund accounting, administrative and certain compliance services to the Fund. U.S. Bank Global Fund Services also serves as the Fund's transfer agent and dividend disbursement agent, and as such is responsible for processing investor subscriptions and repurchases.

Unlisted Closed-End Fund Structure; Limited Liquidity

Shares of the Fund are not listed for trading on any securities exchange. There is currently no secondary market for Shares, and the Fund does not expect any secondary market to develop for its Shares. Shareholders of the Fund are not able to have their Shares redeemed or otherwise sell their Shares daily because the Fund is an unlisted closed-end fund. To provide liquidity to shareholders, the Fund is structured as an "interval fund" and conducts periodic repurchase offers for a portion of its outstanding Shares. Investors should consider Shares of the Fund to be an illiquid investment. An investment in the Fund is suitable only for long-term investors who can bear the risks associated with the limited liquidity of the Shares. Investors should consider their investment goals, time horizons and risk tolerance before investing in the Fund.

Investor Suitability

An investment in the Fund involves a considerable amount of risk. It is possible that you will lose money. An investment in the Fund is suitable only for investors who can bear the risks associated with the limited liquidity of the Shares and should be viewed as a long-term investment. Before making your investment decision, you should (i) consider the suitability of this investment with respect to your investment objectives and personal financial situation and (ii) consider factors such as your personal net worth, income, age, risk tolerance and liquidity needs. An investment in the Fund should not be viewed as a complete investment program. See "Risks of the Fund."

Valuation

The Board has designated the Investment Manager as the Fund's Valuation Designee for purposes of Rule 2a-5 under the 1940 Act. As Valuation Designee, the Investment Manager will be responsible for the valuation of the Fund's portfolio investments for which market quotations are not readily available, as determined in good faith pursuant to the Investment Manager's and the Fund's valuation policies and consistently applied valuation processes. The Fund may use the fair value of a security as determined by the Valuation Designee in accordance with procedures approved by the Board if market quotations are unavailable or deemed unreliable or if events occurring after the close of a securities market and before the Fund values its assets would materially affect NAV. A security that is fair valued may be valued at a price higher or lower than actual market quotations or the value determined by other funds using their own fair valuation procedures. Unlike the closing price of a security on an exchange, fair value determinations employ elements of judgment. The fair value assigned to a security may not represent the value that the Fund could obtain if it were to sell the security. The Fund determines NAV per share in accordance with the methodology described in the Investment Manager's and the Fund's valuation policies and procedures. Valuations of Fund investments are disclosed in reports publicly filed with the SEC. The Fund will calculate the NAV of each class of its Shares on a daily basis. In addition, the Fund intends to publicly report the NAV per share of each class of the Fund on its website on a daily basis.

Taxation

The Fund intends to elect to be treated for U.S. federal income tax purposes, and intends to continue to qualify in each taxable year, as a regulated investment company ("RIC") under Subchapter M of the Internal Revenue Code of 1986, as amended (the "Code"). As a RIC, the Fund generally will not be subject to corporate-level U.S. federal income taxes on its "investment company taxable income" (as such term is defined in the Code, but without regard to the deductions for dividends paid) or net capital gains (that is, the excess of net long-term capital gains over net short-term capital losses), if any, that it distributes in each taxable year (or is deemed to distribute, including amounts that are reinvested pursuant to the Dividend Reinvestment Plan, as described below) to Fund shareholders, provided that certain requirements are satisfied. To qualify for and maintain its treatment as a RIC for U.S. federal income tax purposes, the Fund will be required to meet certain specified source-of-income and asset diversification requirements, and the Fund will be required to distribute in each taxable year to holders of its common stock dividends for U.S. federal income tax purposes in an amount at least equal to the sum of 90% of its investment company taxable income and 90% of its net tax-exempt interest income for such taxable year. The Fund intends to distribute to holders of its common stock, at least annually, substantially all of its investment company taxable income, net tax-exempt income, and net capital gains. See "Tax Matters".

Fiscal Year

For accounting purposes, the Fund's fiscal year end is expected to be June 30.

Reports to Shareholders

As soon as practicable after the end of each calendar year, a statement on Form 1099-DIV identifying the sources of the distributions paid by the Fund to its shareholders for tax purposes will be furnished to shareholders subject to Internal Revenue Service ("IRS") reporting. In addition, the Fund will prepare and transmit to its shareholders an unaudited semi-annual and an audited annual report within 60 days after the close of the period for which the report is being made, or as otherwise required by the 1940 Act.

ERISA Plans and Other Tax-Exempt Entities

Investors subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and other tax-exempt entities, including employee benefit plans, individual retirement accounts, 401(k) plans and Keogh plans, may purchase Shares. Because the Fund is registered as an investment company under the 1940 Act, the underlying assets of the Fund will not be considered to be "plan assets" of the ERISA plans investing in the Fund for purposes of ERISA's fiduciary responsibility and prohibited transaction rules. Thus, neither the Fund nor the Investment Manager will be a fiduciary within the meaning of ERISA with respect to the assets of any ERISA plan that becomes a shareholder, solely as a result of the ERISA plan's investment in the Fund.

Co-Investments

The 1940 Act imposes limits on certain privately negotiated co-investments with affiliates of the Fund. The Investment Manager and certain of its affiliates, the Fund and other registered and private funds managed by the Investment Manager, including future investment vehicles, have received exemptive relief from the SEC permitting the Fund to invest alongside other funds (including private funds) managed by the Investment Manager or its affiliates in privately negotiated portfolio investments. However, the exemptive relief includes conditions that may limit or restrict the Fund's ability to participate in a portfolio investment, including, without limitation, in the event that the available capacity with respect to a portfolio investment is less than the aggregate recommended allocations to the Fund and the other funds. In such cases, the Fund may participate in such investment to a lesser extent than its desired allocation or, under certain circumstances, may not participate in such investment. The relief also requires, among other conditions, that participants acquire the same class of securities at the same time, at the same price, and with the same conversion, financial reporting and registration rights and substantially similar other terms. The order generally requires dispositions to be made proportionately.

Principal Risk Factors

Investing in the Fund involves risks, including the risk that shareholders may receive little or no return on their investment or that shareholders may lose part or all of their investment. Below is a summary of some of the principal risks of investing in Shares of the Fund. For a more complete discussion of the risks of investing in the Fund, see "Risks of the Fund" at page 20. Shareholders should consider carefully the following principal risks before investing in the Fund:

- Shares will not be listed on any securities exchange;
- Although the Fund intends to implement a quarterly share repurchase program, there is no guarantee that an investor will be able to sell all of the Shares that the investor desires to sell. The Fund should therefore be considered to offer limited liquidity;
- The Fund is exposed to risks associated with the aviation sector including, among others: general macroeconomic conditions, geopolitical events, changes in aircraft fuel costs, and cybersecurity, all of which can affect the demand for and cost of air travel;
- The Fund is exposed to risks associated with debt instruments including credit risk and interest rate risk in interest rates;
- There are no minimum rating requirements for the Fund's investments and the Fund is exposed to the risks associated with investments in instruments below investment grade. Below investment grade instruments (i.e., "junk bonds" and other instruments) have predominantly speculative characteristics and may be particularly susceptible to economic downturns, which could cause losses;
- Certain investments may be exposed to the credit risk of the counterparties with which the Fund deals;
- The valuation of securities or instruments that lack a central trading place (such as fixed-income securities or instruments) may carry greater risk than those that trade on an exchange;
- The Fund will be exposed to risks associated with non-U.S. securities and financial instruments. Non-U.S. securities and financial instruments, even if denominated in U.S. dollars, may be traded in less developed, inefficient and less liquid markets and may experience greater price volatility and changes in value;
- The Fund may borrow money or use leverage for investment purposes, which magnifies the potential for gain or loss on amounts invested, subjects the Fund to certain covenants with which it must comply and may increase the risk to common shareholders of investing with the Fund; and
- To qualify and remain eligible for the special tax treatment accorded to RICs and their shareholders under the Code, the Fund must meet certain source-of-income, asset diversification and annual distribution requirements, and failure to do so could result in the loss of RIC status and being taxed as an ordinary corporation for U.S. federal income tax purposes.

Accordingly, an investment in the Fund should be considered a speculative investment that entails substantial risks, and a prospective investor should invest in the Fund only if they can sustain a complete loss of their investment.

SUMMARY OF FUND EXPENSES

These tables are intended to assist investors in understanding the various costs and expenses directly or indirectly associated with investing in the Fund. You may pay other fees, such as brokerage commissions and other fees to financial intermediaries, which are not reflected in the tables and examples below.

The Fund has received an exemptive order from the SEC that permits the Fund to offer more than one class of Shares. Institutional Class Shares are currently being offered, and Supra Institutional Class and Investor Class Shares are available for future sale. The Fund may offer additional classes of Shares in the future.

Shareholder Transaction Expenses (fees paid directly from your investment):

	Investor Class	Institutional Class	Supra Institutional Class
Sales Load⁽¹⁾	None	None	None
Maximum Early Repurchase Fee (as a percentage of amount repurchased)⁽²⁾	2.00%	2.00%	2.00%

- While neither the Fund nor the Distributor imposes an initial sales charge on Supra Institutional Class Shares, if you buy Supra Institutional Class Shares through certain financial intermediaries, they may directly charge you transaction or other fees in such amounts as they may determine. Please consult your financial intermediary for additional information.
- Except to the extent the Board otherwise determines, any repurchase of Shares from a shareholder which were held for less than one year (on a first-in, first-out basis) will be subject to an "Early Repurchase Fee" equal to up to 2% of the net asset value of such repurchased Shares. If an Early Repurchase Fee is charged to a shareholder, the amount of such fee will be retained by the Fund.

Annual Fund Operating Expenses (as a percentage of net assets attributable to Shares):

	Investor Class	Institutional Class	Supra Institutional Class
Management Fees⁽³⁾	1.25%	1.25%	1.25%
Distribution and Shareholder Servicing Fee	0.75%	0.25%	None
Borrowing Expense ⁽⁴⁾	0.00%	0.00%	0.00%
Other Expenses ⁽⁵⁾	0.77%	0.77%	0.77%
Total Annual Fund Operating Expenses	2.77%	2.27%	2.02%
Expense Reimbursement ⁽⁶⁾	(0.02)%	(0.02)%	(0.02)%
Total Annual Fund Operating Expenses After Fee Waiver/Expense Reimbursement	2.75%	2.25%	2.00%

- Pursuant to an investment management agreement (the "Investment Management Agreement"), the Investment Manager receives an annual fee, payable monthly by the Fund, in an amount equal to 1.25% of the Fund's average daily Managed Assets. "Managed Assets" under the Investment Management Agreement means the total value of all assets of the Fund (including any assets attributable to any leverage that is outstanding), less the amount equal to all accrued debts, liabilities and obligations of the Fund (excluding debts, liabilities and obligations representing financial leverage and the aggregate liquidation preference of any outstanding preferred shares). The management fee percentage calculation assumes that the Fund will not engage in leverage in its initial 12 months of operation.
- The Fund expects to leverage as part of its principal investment strategies long term. The Fund does not expect to engage in borrowing for investment purposes during its initial 12 months of operation.
- "Other Expenses" are based on estimated amounts during the first 12 months of operations, assuming the Fund raises \$100 million of average net assets during that time.

"Other Expenses" includes 0.14% in capitalized expenditures related to organizational and offering costs, which are not expected to be recurring expenses of the Fund.

6. The Investment Manager has contractually agreed, through September 1, 2027, to waive its management fee or reimburse Fund expenses to the extent that the Fund's total annual operating expenses (excluding any taxes; fees and interest payments on borrowed funds; fees and expenses, including dividend and interest expenses, associated with the issuance of preferred shares; brokerage commissions and transactional and other investment-related costs and expenses; distribution and shareholder servicing fees (whether paid pursuant to a Rule 12b-1 plan or otherwise); acquired fund fees and expenses (as determined in accordance with SEC Form N-2); dividend expenses on short sales; expenditures which are capitalized in accordance with generally accepted accounting principles (GAAP); and extraordinary or nonroutine expenses, such as expenses incurred in connection with any merger or reorganization with, or the acquisition of all or substantially all of the assets of, another fund, redomiciling the Fund, litigation, potential litigation and indemnification expenses and expenses incurred in the initial registration and offering of Fund shares) exceed 2.00% of the Fund's average daily net assets (the "Expense Limitation Agreement"). The Expense Limitation Agreement became effective upon the commencement of the Investment Manager's management of the continuous investment program for the Fund (the "Effective Date"). The Expense Limitation Agreement shall terminate upon the earlier of the termination of the Investment Management Agreement or on the first anniversary date of the Effective Date. Under the Expense Limitation Agreement, the Investment Manager may recoup from the Fund amounts previously waived or reimbursed during the previous three years from the date of the waiver or reimbursement, provided that such amount paid to the Investment Manager will not cause the Fund's total annual operating expenses to exceed (i) the expense limit in effect at the time the expense was paid or absorbed or (ii) the expense limit in effect at the time of recoupment.

Example

The following example illustrates the expenses that you would pay on a \$1,000 investment in the Shares, assuming a 5% annual return, assuming you hold your shares and assuming your shares are repurchased in full. The example assumes expenses remain as set forth above and includes the expense limitation for one year in each period. The example should not be considered a representation of future expenses. Actual expenses may be greater or less than those shown.⁽¹⁾

An investor would pay the following expenses on a \$1,000 investment assuming a 5% return:

	1 Year	3 Years	5 Years	10 Years
Supra Institutional Class	\$20	\$63	\$109	\$235
Institutional Class	\$23	\$71	\$121	\$260
Investor Class	\$28	\$86	\$146	\$310

An investor would pay the following expenses, assuming your shares are repurchased at the end of each period:

	1 Year	3 Years	5 Years	10 Years
Supra Institutional Class	\$20	\$63	\$109	\$235
Institutional Class	\$23	\$71	\$121	\$260
Investor Class	\$28	\$86	\$146	\$310

- ^{1.} The example assumes the estimated "Other Expenses" set forth in the Annual Fund Operating Expenses table are accurate, that the Total Annual Fund Operating Expenses (as described above) remain the same for all periods shown, and that all dividends and distributions are reinvested at NAV. Moreover, the Fund's actual rate of return may be greater or less than the hypothetical 5% annual return shown in the example.

FINANCIAL HIGHLIGHTS

Because the Fund commenced operations on or following the date of this Prospectus, no financial highlights are shown. You may request a copy of the Fund's annual and semi-annual reports, once available, at no charge by calling the Fund at 800-434-7317 or by visiting www.MuzinichUSFunds.com.

THE FUND

The Fund is a newly organized, non-diversified, closed-end management investment company registered under the 1940 Act. A non-diversified fund may invest a greater proportion of its assets in a small number of issuers, and may be subject to greater risk and substantial losses as a result of changes in the financial condition or the market's assessment of the issuers.

The Fund will continuously offer Supra Institutional Class Shares, Institutional Class Shares, and Investor Class Shares and will operate as an “interval fund.” The Fund has received an exemptive order from the SEC that permits the Fund to offer more than one class of Shares. Institutional Class Shares are currently being offered, and Supra Institutional Class and Investor Class Shares are available for future sale. The Fund may offer additional classes of Shares in the future.

USE OF PROCEEDS

The Fund will invest the proceeds of the continuous offering of Shares on an ongoing basis in accordance with its investment objective and policies as stated below. It is currently anticipated that the Fund will be able to invest all or substantially all of the net proceeds according to its investment objective and policies within approximately three months after receipt of the proceeds, depending on the amount and timing of proceeds available to the Fund as well as the availability of investments consistent with the Fund’s investment objective and policies, the time necessary to identify, source, and underwrite Aviation Assets (as defined below), and the settlement cycle of Aviation Assets. However, it may take longer than three months, and up to six months, for the Fund to invest all or substantially all of the net proceeds of the offering in accordance with its investment objective and strategies. The Fund may use offering proceeds for other business purposes including the payment of dividends or expenses, satisfying repurchase offers or for temporary defensive purposes. Pending investment of offering proceeds, it is anticipated that the proceeds of this offering will be invested in U.S. government securities or high-grade, short-term instruments, which have returns substantially lower than the returns the Fund anticipates earning once it has fully invested the proceeds of the offering in accordance with its investment objective and strategies.

THE FUND’S INVESTMENT OBJECTIVE AND STRATEGIES

Investment Objective

The Fund seeks to provide total return primarily consisting of current income. There can be no assurance that the Fund will achieve its investment objective. The investment objective of the Fund is not a fundamental policy of the Fund and may be changed by the Board without the vote of a majority (as defined by the 1940 Act) of the Fund’s outstanding Shares.

Principal Investment Strategies

The Fund seeks to achieve its investment objective by investing primarily in aviation-related debt instruments and securities. Under normal circumstances, the Fund will invest at least 80% of its net assets, plus the amount of any borrowing for investment purposes, in securities and other investments in Aviation Assets. For purposes of the 80% policy, the Investment Manager considers “Aviation Assets” to include (i) debt secured by and/or used to finance commercial passenger and freighter aircraft and/or aircraft engines and/or other assets primarily used in the aviation industry; (ii) aviation-related corporate debt, including primary and secondary issuances of bonds, loans, securitized debt and trade claims, issued by entities or companies whose business or revenues relate primarily to the production, servicing, operation and use of commercial passenger and freighter aircraft and/or aircraft engines and the provision of passenger, cargo and aviation services, as reasonably determined by the Investment Manager; and (iii) corporate debt and equity securities of issuers whose revenues are primarily derived from, or whose assets are primarily used or invested in, the aviation industry, as reasonably determined by the Investment Manager. The Investment Manager considers the term primarily to mean at least 50% of an issuer’s revenues or assets, respectively.

To pursue its investment objective, the Fund may invest in debt secured by commercial passenger and freighter aircraft and/or aircraft engines including, but not limited to, asset-backed securities, collateralized loan obligations, direct loans and syndicated loans. The Fund also will invest in debt issued by special purpose vehicles that own, finance, and lease commercial passenger and freighter aircraft and/or aircraft engines, and such debt will be secured by aircraft, aircraft engines or parts, or aircraft leases. The Fund will primarily invest in U.S. dollar (USD) denominated Aviation Assets.

The Fund may also invest in aviation-related corporate debt, including primary and secondary issuances of bonds, loans, securitized debt and trade claims, issued by entities or companies whose business or revenues relate primarily to the production, servicing, operation and use of commercial passenger and freighter aircraft and/or aircraft engines and the provision of passenger, cargo, and other aviation services.

The Fund may acquire (or under certain circumstances add to) an instrument of a company that is potentially facing liquidity or solvency issues, subsequently declares bankruptcy or otherwise engages in a bankruptcy-type reorganization.

The Fund may purchase assignments of or participations in, loans made to various issuers, including distressed loans. Such investments may include senior secured, junior secured and mezzanine loans and other secured and unsecured debt that has been originated on a primary basis or that trade on the secondary market. The Fund may invest in commercial loans sourced by the Investment Manager.

The Fund may rely on short-term financings to acquire investments with long-term maturities. Certain of the Fund's investments may be adjustable rate instruments in which interest rates vary over time, based upon changes in an objective index (e.g., SOFR) which generally reflect short-term interest rates. The interest rates on the Fund's financings similarly vary with changes in an objective index but may adjust more frequently than the interest rates of the Fund's investments.

The Fund may pursue its investment strategies directly or indirectly through investments in SPVs, intermediary holding companies or one or more Subsidiaries. Investments held through such entities will be consistent with the types of securities in which the Fund is permitted to invest directly.

Additional Investment Techniques

In addition, the Fund may invest in liquid floating rate instruments, including broadly syndicated corporate loans and bonds, floating rate ABS, CDOs, CLOs, and cash or cash equivalents, including U.S. government securities. For temporary defensive purposes, liquidity management, or in connection with implementing changes in its asset allocation, the Fund may hold a substantially higher amount of liquid investments, including cash and cash equivalents.

The Fund may invest in securities of other registered investment companies, including mutual funds, ETFs, and closed-end funds, and including investment companies for which the Investment Manager or an affiliate is an investment adviser, which have investment policies consistent with those of the Fund. Investments in other investment companies that, similar to the Fund, have a policy to invest at least 80% of their assets in the aviation industry or in any Aviation Assets are considered Aviation Assets for purposes of the Fund's 80% Policy. To the extent that the Fund invests in derivatives or other instruments whose exposure is tied to Aviation Assets, such investments will be qualifying assets for purposes of the 80% Policy.

The Fund is permitted to change its investment objective or 80% Policy without a shareholder vote upon at least sixty days prior notice to shareholders provided the Fund conducts a repurchase offer to allow shareholders to redeem shares in advance of the policy change.

Portfolio Construction and Characteristics

The Fund expects, under normal circumstances, to allocate not more than 75% of its Managed Assets in Aviation-Backed Debt and not more than 45% of its Managed Assets in Leased Aircraft Assets. The allocation between these and other Aviation Assets may fluctuate significantly depending upon various factors, including market and economic conditions, availability of investment opportunities, and fund subscription and repurchase activity.

To the extent consistent with the liquidity requirements applicable to interval funds under Rule 23c-3 under the 1940 Act, the Fund may invest without limit in illiquid securities.

There are no minimum rating requirements for the Fund's investments. Although the Investment Manager considers ratings assigned by ratings agencies in selecting investments, it relies principally on its own research and investment analysis. Individual holdings may be of any rating, including ratings below investment grade or of "junk" rating from Moody's, Standard & Poor's, or Fitch (below Baa3 or BBB-), or as deemed equivalent by the Investment Manager, but they may also be only privately rated or unrated without limitation. Below investment grade debt securities are typically referred to as "high yield" or "junk" bonds or securities.

Although the Fund will typically not purchase instruments that are already in default, though it may purchase stressed assets or assets issued in pursuit of a reorganization, the Fund may continue to hold investments after a default. There is no limit on the amount of defaulted securities or post-reorganization instruments the Fund may hold. Because the Fund may invest in below investment grade securities and instruments or unrated securities and instruments without limit, the Fund's investments should be considered speculative.

The Fund's Aviation Assets and other investments include bonds, notes, syndicated loans, private secured loans or ABS, and may include various direct or indirect exposure to equity. Investments may be unsecured or backed by receivables or other assets. ABS are securities created by the pooling of various income-generating assets (like aviation leases or syndicated loans) and selling slices of those pooled cash flows to investors as bonds or notes, offering returns from the underlying payments. The process, called securitization, turns illiquid debts into more tradable securities, often structured into tranches with different risk/reward profiles. Such securities are often referred to as structured finance products. Syndicated loans (which may be commonly referred to as "floating rate loans") are another form of financing for corporations and are typically (1) secured by specific collateral or assets of the issuer or borrower, (2) will have claims senior to those of other parties who hold unsecured instruments, and (3) will feature interest rates that adjust or "float" periodically (generally with reference to a base lending rate such as Secured Overnight Financing Rate ("SOFR"), plus a premium). The Investment Manager also considers the potential future liquidity of an issuer's bonds, notes, or loans.

There is no limit on the duration or maturity of any security the Fund purchases; however, the Investment Manager generally targets Aviation Assets maturing in five to 15 years and may sell or harvest investments opportunistically before maturity. The longer a security's duration, the more sensitive it will be to changes in interest rates. Aviation-Backed Debt may be fixed or floating rate, and typically matures in 10 years or less, though the weighted average life of any debt may be considerably shorter due to amortization payments. It is anticipated that in most parts of the investment cycle, most loans will amortize. Leased Aircraft Assets will typically mature in six to eight years but may be of any length. Holding periods typically span three to four years before assets are sold with leases attached.

Leased Aircraft Assets

The Fund invests in Leased Aircraft Assets secured by aircraft and engine types and models that the Investment Manager believes will remain in high demand by airlines globally. Typically, the Fund's investments in Leased Aircraft Assets will be made through SPVs or other forms of aircraft-owning entities, which will borrow money for the purposes of such investments. Within its portfolio of Leased Aircraft Assets, the Fund will target an average lease rate factor in excess of 0.75% and will primarily invest in aircraft and engines that are less than ten years old at the time of investment. "Lease rate factor" is defined as the quotient of monthly lease rental revenue divided by the aircraft's or engine's purchase price.

The Fund will target Leased Aircraft Assets secured by aircraft and engines that are registered in a jurisdiction that has ratified the Cape Town Convention on International Interests in Mobile Equipment, an international treaty which created a uniform international legal framework that allows lenders and owners to register and enforce security interests in high-value mobile assets such as aircraft across different countries with such security interest being recognized locally in the various jurisdictions. The Fund may also invest in Leased Aircraft Assets that are registered in other jurisdictions if the Investment Manager has received legal advice that the relevant jurisdiction provides acceptable mechanisms for the SPV as owner and lessor of the Leased Aircraft Asset to repossess an aircraft or engine securing a defaulted debt obligation. In such scenario, if it is determined that the lease with the operator of the Leased Aircraft Asset cannot be satisfactorily restructured, the SPV can seek to enforce its security interest in the Leased Aircraft Asset and repossess, at which point the Leased Aircraft Asset can be leased to another operator or sold.

Aviation-Backed Debt

The Fund's investments in Aviation-Backed Debt include debt secured by aircraft and engine types and models the Investment Manager believes will remain in high demand by airlines globally and which are therefore resalable or releasable. Aircraft, owned by both airlines and operating lessors, will be typically operated by Tier 1 and 2 global airlines. Tier 1 global airlines are defined as airlines that board more than 25 million passengers per year. Tier 2 global airlines are defined as airlines that board between 10 million and 25 million passengers per year.

The Fund's investments in Aviation-Backed Debt include primarily senior secured instruments such as the most senior tranches of aviation-related ABS and enhanced equipment trust certificates, as well as private secured loans to airlines and/or leasing companies ("EETCs"). Typically, the Fund's investments in Aviation-Backed Debt will be made through syndicated loans, private secured loans, ABS, CLOs, and instruments (including subordinated instruments) relating to warehouse arrangements for structured products, and any other similar instruments or structured finance products.

EETCs are typically issued by specially-created trusts established by airlines, the proceeds of which are used to purchase equipment, such as airplanes or other equipment, which in turn serve as collateral for the related issue of the EETCs. The equipment generally is leased by the airline, which makes rental payments to provide the projected cash flow for payments to EETC holders. Holders of EETCs must look to the collateral securing the certificates, typically together with a guarantee provided by the lessee corporation or its parent company for the payment of lease obligations, in the case of default in the payment of principal and interest on the EETCs.

Upon acquisition, each Aviation-Backed Debt investment will have a loan-to-value ratio of no more than 80%. Loan-to-value ratio means the loan amount compared to the value of the assets or collateral securing the loan. A lower ratio indicates lower risk.

Other Investments

The Fund's investments in the types of securities and other investments described in this Prospectus vary from time to time, and, at any time, the Fund may not be invested in all of the types of securities and other investments described in this Prospectus. The Fund may also invest in securities and other investments not described in this Prospectus.

Intermediary Vehicles, SPVs, and Subsidiaries

Intermediary Vehicles and SPVs

A substantial portion of the Fund's Aviation-Backed Debt and Leased Assets may be issued by special purpose vehicles (SPVs) or other intermediary vehicles. Such entities are expected to be primarily organized as bankruptcy remote SPVs under the laws of Ireland that are designed to be taxed pursuant to Section 110 of the Irish Taxes Consolidation Act, but may be organized in other jurisdictions that afford similar benefits and protections to investors. Leased Assets may also be held through an Irish incorporated parent holding company owning one or more operating companies that engage in aircraft leasing and management of aircraft. To the extent that underlying Aviation Assets are those of U.S.-based carriers, such assets may be held through U.S. domiciled bankruptcy remote SPVs or LLCs. Debt securities in which the Fund may invest may be issued by SPVs or intermediary vehicles. The Fund may hold all or a portion of the debt interests in such vehicles. The residual equity interest of Irish domiciled SPVs and similarly structured SPVs in other jurisdictions are held by unaffiliated third parties.

SPVs in the aviation industry, such as Irish domiciled SPVs and similar vehicles, are structured to own, finance, and lease commercial passenger and freighter aircraft and/or aircraft engines. The SPV structure serves as a centralized vehicle for issuing debt securities, providing loan and lease servicing, and managing collateral. Such entities are not investment companies because they do not hold themselves out as investing, re-investing or trading in securities, and do not acquire or hold investment securities (as defined in the 1940 Act) having a value exceeding 40% of assets. The bankruptcy remote structure is intended to protect investors in the event of bankruptcy of the borrower. The loans financed through the SPV structure are negotiated through a competitive bidding process. The Investment Manager will evaluate the underlying loans, leases or other assets held by such vehicles, as well as the fee structure, as part of its investment process. The Investment Manager seeks to mitigate the risk of these structures by analyzing, among other factors, the corporate separateness of entity (bankruptcy remoteness), adherence to corporate formalities, quality of the collateral, transparency of cash flows, and quality and reputation of service providers to such vehicles. See "Investment Process."

SPVs and other intermediary vehicles are subject to their own expenses including, but not limited to, organizational expenses, legal and auditing expense, collateral manager fees, loan or lease servicing fees, fees and expenses in pursuing remedies upon the event of default of underlying loans, leases or other assets, and litigation expenses. Service providers that may be engaged by such vehicles may include, among others, legal counsel, auditors, collateral managers and loan or lease servicers. Interests in SPVs are typically offered in private placements pursuant to exemptions from registration under the Securities Act of 1933 to institutional investors, high net worth investors and, in certain cases, registered investment companies and business development companies. The Fund may be the sole debt investor in such entities or it may invest alongside other clients of the Investment Manager or other unaffiliated investors. The conditions of the Co-Investing Relief will apply to all investments with affiliated entities. See "Risks of the Fund—Co-Investment Risk."

The Fund expects to invest in debt securities of SPVs and does not expect to have control rights with respect to such SPVs in which it intends to invest. In addition, the Fund does not expect to enter into transactions with such SPVs whereby the Fund contributes substantially all of the assets to such SPVs such as receivables, aircraft, leases, collateral or collateral rights. As a result, SPVs in which the Fund intends to invest are not expected to be consolidated for financial reporting purposes or treated as Subsidiaries (as defined below) for the purpose of complying with various provisions of the 1940 Act. To the extent that the Fund invests in SPVs with different characteristics in the future, the treatment of the assets, liabilities and obligations of such entities will be analyzed on a case-by-case basis under applicable law and, in appropriate circumstances, such entities will be consolidated for financial reporting purposes to the extent required by GAAP and will be treated as Subsidiaries as described below for 1940 Act purposes. The Fund will treat as a Subsidiary (as defined below) any SPV that engages in investment activities in securities or other assets (i) that is primarily controlled by the Fund, or (ii) substantially all of whose assets have been (or would be) contributed directly or indirectly by the Fund.

The Fund will be subject to the risks of the underlying assets held by the SPVs as well as structural risks of SPVs or other intermediary vehicles including subordination as to interest and principal payments to higher ranking tranches of the SPV. See “Risks of the Fund—Structure of Investments Risk.”

Subsidiaries

The Fund may pursue its investment strategies either directly or indirectly through one or more subsidiaries (each, a “Subsidiary,” and together, the “Subsidiaries”). The Fund may form one or more wholly owned Subsidiaries in one or more jurisdictions when the Investment Manager determines it is desirable to do so for corporate, tax or other purposes including to facilitate compliance with the tests applicable to qualify as a regulated investment company under the Code. When formed for such tax purposes, such Subsidiaries are expected to be treated as a corporation for U.S. federal income tax purposes. The Fund will be the sole shareholder of any Subsidiary, and it is currently expected that shares of any Subsidiary will not be sold or offered to other investors. The term Subsidiary includes entities that are primarily controlled by the Fund within the meaning of Section 2(a)(9) of the Act and where the Fund’s control is greater than any other person. The Fund will treat as a Subsidiary any SPV that engages in investment activities in securities or other assets (i) that is primarily controlled by the Fund, or (ii) substantially all of whose assets have been (or would be) contributed directly or indirectly by the Fund.

The Subsidiaries will not be registered under the 1940 Act and will not be subject to all of the investor protections of the 1940 Act. In addition, changes in the laws of the United States and/or any jurisdiction in which a Subsidiary is formed could result in the inability of the Fund or the Subsidiaries to operate as described in this Prospectus and the SAI, and could adversely affect the Fund. The Board has oversight responsibility for the Fund’s investment activities, including the Fund’s investments in any Subsidiary, and the Fund’s role as the sole shareholder of any Subsidiary. The Fund will aggregate its direct investments and its investments held through Subsidiaries for purposes of complying with the provisions of the 1940 Act including with respect to capital structure, leverage and portfolio investments.

The assets of any Subsidiaries and the Fund’s assets taken as a whole, will be subject to the same investment restrictions and limitations, and the Subsidiary will be subject to the same compliance policies and procedures as the Fund. As a result, investments held through a Subsidiary will be considered in determining compliance with the investment policies and restrictions that apply to the management of the Fund, and, in particular, to the requirements relating to portfolio leverage, affiliated transactions and the timing and method of the valuation of any Subsidiary’s portfolio investments.

Subsidiaries will comply with custody, governance and other regulatory provisions or interpretations of the SEC and their jurisdiction of organization as are in effect at the time of their formation. See “Subsidiaries” at page 11 of the SAI. See also “Risks of the Fund—Subsidiary Risk.”

Leverage

The Fund may use leverage as and to the extent permitted by the 1940 Act. The Fund is permitted to obtain leverage using any form of financial leverage instruments, including funds borrowed from banks or other financial institutions, credit facilities, margin facilities, notes or preferred stock and leverage attributable to reverse repurchase agreements or similar transactions. The Fund is authorized to borrow money in connection with its investment activities, to satisfy repurchase requests from shareholders, and to otherwise provide the Fund with temporary liquidity. The Fund

may enter into a revolving credit facility or other type of borrowing for the purpose of investment purchases and liquidity measures, subject to the limitations of the 1940 Act for borrowings. Such borrowings may be secured by all or a portion of the assets held by the Fund. Credit facilities or other borrowings are expected to include customary covenants that, among other things, limit the Fund's ability to incur additional debt, change certain of its investment policies and engage in certain transactions, including mergers and consolidations, require asset coverage ratios in addition to those required by the 1940 Act, and have the effect of limiting the Fund's ability to pay distributions in certain circumstances.

The Fund may choose to increase or decrease, or eliminate entirely, its use of leverage over time and from time to time based on the Investment Manager's assessment of the yield curve environment, interest rate trends, market conditions and other factors. By using leverage, the Fund seeks to obtain a higher return for its shareholders than if the Fund did not use leverage. Leveraging is a speculative technique and there are special risks and costs involved. There can be no assurance that a leveraging strategy will be used or that it will be successful during any period in which it is employed.

Investment Process

First, the Investment Manager determines target asset allocations for the Fund, taking into account the attributes of the Fund's pipeline of less liquid transactions and the Fund's needs for more liquid holdings which could be used to satisfy investor requests for share repurchases. The Investment Manager makes the final allocation decision regarding the approximate percentage of the Fund that will be invested in each type of Aviation Asset and in each type of permitted liquid holding after comparing the potential risk and return posed by different investment opportunities across the credit quality, yield, and duration spectrum. The Investment Manager also considers the timing and reliability of settlement procedures for each type of fund investment to enable the Fund to manage cashflows.

The Investment Manager selects debt instruments for the Fund's portfolio by integrating company-specific and transaction-specific quantitative and qualitative factors with its broader economic outlook. This process relies on bottom-up fundamental analysis, considering managerial strength, commitment to debt repayment, anticipated cash flow, debt maturity schedules, borrowing requirements, use of proceeds, asset coverage, and earnings prospects. The Investment Manager also assesses the issuer's industry outlook and competitive position, alongside factors such as legislation, regulation, litigation, transparency, market perspective, and environmental, social, and governance (ESG) risks. The potential future liquidity of an issuer's debt and the protections provided to lenders within the documentation governing bonds, syndicated loans, private secured loans, ABS, or structured product issuances are also evaluated to inform the Investment Manager's security selection process.

In line with the Investment Manager's commitment to fundamental, bottom-up credit analysis across the portfolio, when evaluating Aviation Assets, the Investment Manager considers the financial strength and creditworthiness of airlines or leasing companies, using both quantitative metrics (profitability, liquidity, leverage, coverage ratios) and qualitative assessments (business model, network quality, ownership support, operating jurisdiction). The Investment Manager also assesses aircraft type, age, liquidity, operator base, maintenance condition, historical and forecasted valuations, and expected depreciation. The Investment Manager reviews loan-to-value levels, amortization, covenants, collateral packages, security assignments, cash-flow waterfalls, and recourse provisions.

With respect to Leased Aircraft Assets, the Investment Manager will evaluate the credit risk associated with prospective operators/lessees and their respective ability to properly maintain the aircraft and comply with all the provisions incorporated in the lease. In addition to the Investment Manager's independent assessment of the lessee's credit standing using public information, data provided by the operator, financial institutions, industry periodicals, trade references, and/or regulatory authorities, the Investment Manager will utilize, when it deems appropriate and practicable, credit and rating agency reports and/or research reports published by investment banks to get a better understanding of the operator's financial condition and viability. On the basis of such review, the Investment Manager will assess the credit rating of the operator and weigh that credit evaluation against the asset risk, the lease rate, and the lease structure, in determining whether the operator meets the Investment Manager's criteria.

The Investment Manager's analysis is supported by proprietary credit models; monthly aircraft utilization and maintenance data; dedicated aircraft maintenance and surveillance software; and direct information flows from airlines, Original Equipment Manufacturers ("OEMs") (e.g., Airbus, Boeing), maintenance, repair, and overhaul servicers, banks, leasing companies, and introducers (legal firms, accountancies, corporate finance advisers). The Investment Manager maintains long-standing relationships with more than 100 airlines and 50 leasing companies, major OEMs, financial

institutions, and global aviation banks, allowing it to source typically 10-15 transactions per month across the capital structure, including senior secured debt, SLBs, and acquisitions from leasing companies seeking liquidity or addressing balance sheet constraints.

When selecting investments, the Investment Manager considers contracted lease or debt cash flows; the strength of the underlying aircraft collateral (i.e., resalable, in-demand aircraft types such as A320neo or 737 MAX families); the attractiveness of risk-adjusted yield relative to credit, asset, and structural protections; the borrower's financial strength; whether the investment is subject to the jurisdiction of courts likely to enforce lender claims in a timely fashion (or at all) in the event of nonpayment; the robustness of an aircraft's maintenance and technical profiles; the visibility of a clear exit strategy (e.g., long remaining lease term or strong secondary market demand).

The Investment Manager actively monitors each investment and considers a variety of factors when exiting a position, including the sale of aircraft with three or more years of remaining lease term; maximizing exit proceeds; opportunistic secondary loan sales when spreads tighten or banks reduce exposure; early lease terminations and transitions to stronger airlines, where beneficial; and part-out sales where economically optimal late in an aircraft's life.

The Fund is actively managed, and it may sell a holding when it has already met or no longer meets the Investment Manager's expectations, no longer offers compelling relative value, shows deteriorating fundamentals, or if its fundamentals fall short of the Investment Manager's expectations. While trading securities frequently may lead to high portfolio turnover, the corresponding adverse tax consequences of high portfolio turnover are not a primary consideration in the Investment Manager's decisions. The Fund may also sell holdings as a result of a change in the top-down tactical asset allocation.

By applying a bottom-up fundamental analysis/evaluation of potential investment opportunities and existing investments, the Investment Manager seeks to reduce the risk of default by the issuers of the investments in the portfolio. Active turnover is anticipated, reflecting ongoing opportunities in the sale-leaseback ("SLB") market, leasing-company asset sales, and secondary loan trading. SLBs are financial transactions in which one party sells an asset and simultaneously signs a long-term lease to retain use of the asset.

ESG Considerations

The Investment Manager incorporates ESG (Environmental, Social, and Governance) factors into the evaluation of investments in Aviation Assets when relevant, particularly through counterparty credit assessments (e.g., governance quality, litigation risk, operational safety, and jurisdictional factors). The Investment Manager also considers environmental characteristics related to aircraft efficiency, technology generation, and maintenance practices. The Investment Manager prioritizes fuel-efficient aircraft types that, in the Investment Manager's view, will be in high demand and easily resold, which generally exhibit more stable valuations and lower environmental impact relative to older technology aircraft.

ESG issues are among many factors the Investment Manager considers in its credit evaluation processes in seeking to identify risks posed to investments and is not the exclusive basis for portfolio selection. The Investment Manager defines ESG factors as investment factors measured in non-financial terms (and not included on balance sheets) but which may be or become material to financial performance. The types of ESG factors that the Investment Manager believes can impact financial risks derive from, among other issues: changes to regulations, changes to consumer preferences, technology advancements, physical or transitional climate impacts, litigation risks, efficiency, brand value, innovation, market disruption/obsolescence, respect for human rights, anti-corruption, anti-bribery matters, and social license to operate. An investment may be excluded or rejected where the Investment Manager believes those factors imply heightened risk or decreased liquidity of an investment and/or other negative financial impacts.

The Investment Manager believes that ESG risks can have a material impact on the profitability, liquidity, financial profile and reputation of an investment and consequently on its return. The Investment Manager considers the potential materiality of ESG risks alongside financial metrics as part of its research and investment process and assesses ESG issues and potential materiality on a case-by-case basis based on available ESG data and other relevant investment considerations.

To assess the potential financial implications of ESG risks, the Investment Manager may integrate ESG research into its bottom-up credit analysis, utilize third-party ESG data providers, and engage directly with issuers regarding their ESG-related practices. Third-party resources used by the Investment Manager include Sustainalytics for ESG risk

management data and Institutional Shareholder Services (ISS) for climate-related data. The Investment Manager may consider information from credit rating agencies (e.g., Moody's, Fitch, and S&P), collaborative industry groups, and non-governmental organizations (e.g., Science-based Targets Initiative (SBTi) and the Transition Pathways Initiative (TPI).)

As a result of this ESG-integrated approach, investments may be excluded or rejected if the Investment Manager believes ESG factors imply heightened risk or decreased liquidity of an investment and/or other negative financial impacts. The Fund does not operate as an ESG-themed strategy, and ESG considerations are applied in a risk-based, credit-integrated manner rather than as exclusionary or thematic screens. Investments do not have to satisfy any particular ESG criteria to be selected for inclusion in the portfolio and whether or not to exclude an investment based on ESG factors is a subjective determination.

RISKS OF THE FUND

Investors should carefully consider the Fund's risks and investment objective, as an investment in the Fund may not be appropriate for all investors and is not designed to be a complete investment program. Investment should be avoided where an investor has a short-term investing horizon and/or cannot bear the loss of some or all of their investment. It is possible that investing in the Fund may result in a loss of some or all of the amount invested. Each risk discussed below is considered a principal risk of investing in the Fund, regardless of the order in which it appears and could affect the value of your investment:

Risks Related to the Aviation Industry

Financial Risks. The aviation industry faces financial risks driven by thin net margins making carriers highly vulnerable to external shocks including fuel price volatility, supply chain disruptions, labor strikes and shortages, an environmental and geopolitical exposure. Additionally, the aviation industry is highly capital intensive with high debt-to-equity ratio. As a result, high or rising interest rates can increase the cost of financing new aircraft and servicing heavy debt loads. The aviation industry is technology intensive and is susceptible to system failures, and ransomware or other attacks can result in severe business interruption costs and heavy technology expenditures. In addition, the aviation industry is highly cyclical – because air travel is a discretionary expense, leisure and premium business travel may drop sharply due to adverse macroeconomic events or economic downturns or recessions. The aviation industry is also subject to intense competition and to periods of overcapacity, which places downward pressure on net margins.

Global Market Volatility and Geopolitical Developments. The aviation industry is highly sensitive to changes in global developments, and significant economic or political developments, such as change to U.S. trade policy; the effects of terrorism; armed hostilities and war, including any future terrorist attacks or armed hostilities (or escalation of existing conflicts); outbreaks of epidemic diseases or occurrences of natural disasters; and continued political and economic uncertainties could have a material adverse effect on the airline industry and on world financial markets generally. For example, the aviation industry suffered significant losses as a result of the COVID-19 pandemic which had an unprecedented impact on traffic demand, global airline revenues and the number of aircraft in storage. These losses resulted in significant government support being provided to airlines globally in the form of loans, employee support and equity infusions. The support was not universal and many airlines entered restructurings including Avianca, LATAM, as well as Norwegian and Virgin Australia. The impact of COVID-19 cannot be overestimated and some airlines are still working through its long-term effects.

The aviation industry similarly suffered significant losses as a result of deteriorating international economic conditions during global financial crisis such as in 2008 – and it may again do so in the future. Many airlines announced reductions in capacity, services and employee workforce in response to industry-wide reductions in passenger demands and yields as a result of economic downturns. Airlines involved in reorganizations typically undertake substantial fare discounting to maintain cash flows and to encourage continued customer loyalty. Bankruptcies, reductions in capacity, labor strikes and slowdowns and reduced demand generally have led to the grounding of significant numbers of aircraft and the negotiated reduction of aircraft lease rental rates which has had the effect of depressing aircraft market values. The permanent or near permanent grounding of aircraft, if concentrated among one or a few aircraft models, may also depress the market values of those aircraft models. Reorganizations or liquidations by airlines often lead to the rejection of aircraft leases or the abandonment of aircraft by airlines which would then exacerbate the already depressed aircraft values.

Effect of War or Armed Hostilities and Terrorist Attacks. War or armed hostilities including the recent US-Iran conflict, or the fear of such events, could reasonably be expected to exacerbate many of the economic problems experienced by the airline industry. In addition, terrorist attacks and attempts have negatively affected the airline industry and fears about future terrorist attacks or other substantial events could continue to negatively affect the airline industry in a variety of ways, including, without limitation: (i) higher costs to the airlines due to the increased security measures and other compliance with new regulatory enactments; (ii) losses in passenger revenue due to terrorism concerns and the inconvenience of additional security measures; (iii) significantly higher costs of insurance coverage for future claims caused by acts of war, terrorism, sabotage, hijacking and other similar perils, and uncertainty as to the extent to which such insurance will continue to be available; and (iv) possible lost revenue stemming from aircraft grounded as a result of terrorists attacks, the economic slowdown, forced shutdowns due to government actions and airline reorganizations. Additional potential problems include increased security restrictions on air travel within the United States and elsewhere, increased airline costs for and restricted availability of aircraft insurance and fuel, enhanced security measures, a decline in passenger demand for air travel, increased difficulties in acquiring war risk and other insurance at reasonable costs, and additional lessee restructurings. Should these risks come to pass, there can be no guarantee that the government of the United States or any other country will take action to assist the aviation industry. The aviation industry may also be adversely impacted by travel bans that were recently implemented in some countries.

Cyber-attacks May Negatively Affect the Lessees and the Airline Industry. Cyber-attacks on information technology systems that affect the operations of the lessees, the operation of the aircraft and their systems or the airline industry generally, including attacks that affect the lessees, the computer systems of the aircraft, a service provider or airline industry service providers such as global distribution systems, online reservation and credit card processing facilities for on-line ticket sales, and navigation and air traffic control systems, could have a material adverse effect on the aircraft industry, lessees' operations or public confidence in the safety and security of air travel, and in turn may negatively affect lessees' financial condition, liquidity and ability to meet their rental or other lease payment obligations or obtain the types and amounts of insurance required by the applicable leases (which may in turn lead to aircraft groundings), or a material adverse effect on the services provided by service providers. The impact of such instances may result in lease restructurings and aircraft repossessions, increase the SPV or the Fund's cost of re-leasing or selling the aircraft, impair the Fund's ability to re-lease the aircraft or lease the aircraft on a timely basis and/or at favorable rates and reduce the value received for the aircraft upon any disposition.

Fuel Cost Volatility Risk. Fuel costs represent a major expense to aircraft operators. Fuel prices fluctuate widely depending primarily on international market conditions, geopolitical and environmental events, regulatory changes including those related to greenhouse emissions, and currency exchange rates. Significant fuel price increases would materially affect the operating results and profitability of aircraft operators and have a significant impact on airline profitability. Long- or short-term fluctuations may (i) affect the ability of operators and airlines to make rental and other lease payments; (ii) result in lease restructurings and aircraft repossessions; (iii) increase the costs of servicing and marketing the aircraft; (iv) impair the Fund's ability to re-market or otherwise dispose of the aircraft on a timely basis and/or at favorable terms; (v) reduce the value received for the aircraft upon any disposition; and (vi) reduce the proceeds received for the aircraft upon any disposition.

In addition, airlines may not be able to manage the risk of higher fuel prices by appropriately hedging their exposure to fuel price fluctuations. During periods of depressed fuel prices, airlines which have put fuel hedging in place may incur higher fuel costs compared to competing airlines which have unhedged fuel positions, resulting in a higher cost base, which may result in financial losses. Swift movements in fuel prices when airlines have hedged their fuel costs can adversely affect profitability and liquidity as airlines are required to post cash collateral under hedge agreements.

A prolonged period of high or volatile fuel prices will exacerbate these effects on airlines, which may negatively impact a lessee's ability to make timely lease rental payments to the Fund and the Fund's ability to enter into new leases. For example, recently, aircraft fuel prices increased in March 2026 following U.S. and Israeli strikes on Iran and retaliatory strikes by Iran which resulted in damage to critical energy infrastructure in the Middle East and the de facto closure of the Strait of Hormuz. Prolonged or escalating conflict in Iran and the Middle East could further disrupt global energy markets and cause sustained increases in aircraft fuel prices and reduce fuel availability.

Environmental, Greenhouse Emission and Noise Regulatory Risk. Material costs and liabilities relating to environmental requirements and liabilities may negatively affect the airline industry. Commercial aircraft operations are subject to comprehensive federal, state, local and foreign environmental, health and safety laws and regulations relating

to the protection of the environment including the discharge of gases and other materials into the air, water and ground, the generation, storage, handling, use, transportation and disposal of or exposure to hazardous materials, and the protection of public health and safety. Airlines face the imposition of additional taxes and surcharges on airlines and/or their passengers to help governments bear the costs associated with environmental compliance, which taxes and surcharges are frequently passed along to passengers. Environmental laws and regulations are subject to change and have tended to become more complex and stringent over time in some jurisdictions, as some members of the global community have increased their efforts to combat the effects of climate change. Future regulatory developments in the United States or abroad could adversely affect operations and increase operating costs in the airline industry. Violations of environmental laws and regulations or permit conditions could result in substantial fines, permit revocations or other penalties. For example, increasing concern related to potential adverse impacts of climate change led to significant U.S. and international legislative and regulatory efforts to limit greenhouse gas emissions, including greenhouse gas emissions from aircraft, though some of these regulatory efforts may be rolled back in the United States. Additionally, jurisdictions throughout the world have adopted laws and regulations which require all aircraft to comply with noise level standards. Compliance with current or future environmental laws and regulations, taxes or duties could have a negative effect on the airline industry.

Regulatory Change Risk. The aviation industry is (i) highly regulated in the United States, Europe, and internationally, and (ii) subject to regulatory change. The U.S. Aviation and Transportation Security Act (the “Aviation Security Act”), among other things, subjects substantially all aspects of U.S. civil aviation security to federal oversight and mandates enhanced security measures, including: (i) improved flight deck security; (ii) deployment of federal air marshals on flights; (iii) improved security of airport perimeter access; (iv) airline crew security training; (v) augmented security screening of passengers, baggage, cargo, mail, employees and vendors; (vi) improved training and qualifications of security screening personnel; (vii) additional provision of passenger data to U.S. Customs and Border Protection; and (viii) more detailed background checks on passengers and airline and airport personnel, equipment acquisitions by the government and changes to baggage processing facilities and procedures. The changes mandated by the Aviation Security Act have increased costs for airlines providing service in the United States, and have resulted in delays and disruptions to air travel, which have adversely affected, and may to continue to adversely affect, the aviation industry in general. It is expected that the Aviation Security Act will continue to impose additional costs on the airlines and may adversely impact the performance of the Fund.

Consumer Demand for Air Travel. Robust demand for air transportation services depends on favorable economic conditions, including the strength of the global and national economies, low unemployment levels, strong consumer confidence levels and the availability of consumer and business credit. Any downturn in the consumer market may indirectly have an impact on returns to the Fund.

Risk Related to Debt and Other Securities

Debt Securities Risk. The Fund may invest directly or indirectly in debt securities (including loans), including debt securities issued by alternative lending platforms or companies that own or operate alternative lending platforms. The Fund may have exposure to the debt securities of U.S. or foreign issuers. These debt securities may have fixed or floating interest rates; may or may not be collateralized; and may be below investment grade or unrated but judged by the Investment Manager to be of comparable quality (debt securities that are below investment grade are commonly called “junk bonds”). Debt securities are fixed or variable/floating-rate debt obligations, including bills, notes, debentures, money market instruments and similar instruments and securities. Debt is generally used by corporations, individuals, governments and other issuers to borrow money from investors. The issuer pays the investor a fixed or variable rate of interest and normally must repay the amount borrowed on or before maturity. Some debt securities are “perpetual” in that they have no maturity date. The Fund has no limits as to the maturity of debt securities in which it invests directly or indirectly. Such investments may be within any maturity range (short, medium or long) depending on the Investment Manager’s evaluation of investment opportunities available within the debt securities market. Similarly, the Fund has no limits as to the market capitalization range of the issuers. A debt investment made by the Fund could take many forms, including a loan, convertible note, credit line or other extension of credit made by the Fund.

Credit Risk. The Fund is subject to credit risk: i.e., the risk that an underlying borrower will be unable to pay principal and interest when due. The Fund’s investments will not be rated by any rating agency and the Investment Manager will be required to formulate its own views on credit risk. Accordingly, the Fund will be primarily dependent upon the judgment of the Investment Manager as to the credit quality of underlying borrowers. In particular, the Fund

will depend on the Investment Manager's internal fundamental analytical systems. A default, or credit impairment of any of the Fund's investments could result in a significant or even total loss of the investment.

Interest Rate Risk. Interest rate changes can be sudden and unpredictable, and are influenced by a number of factors, including government policy, monetary policy, inflation expectations, perceptions of risk, and supply and demand for bonds. When interest rates increase this may result in a decrease in the value of debt securities held by the Fund. Changes in government intervention may have adverse effects on investments, volatility, and illiquidity in debt markets. In recent years, the Federal Reserve has raised interest rates in response to increased inflation. An environment with rising interest rates may lead to a decrease in the price of debt securities. More recently, the Federal Reserve has subsequently cut interest rates as inflation has decreased.

Prepayment Risk. The value of the Fund's assets may be affected by prepayment rates on loans. Prepayment rates are influenced by changes in interest rates and a variety of economic, geographic and other factors beyond the Fund's control. Therefore, the frequency at which prepayments (including voluntary prepayments by borrowers and liquidations due to defaults and insolvency) occur on the Fund's investments may adversely impact the Fund and prepayment rates cannot be predicted with certainty, making it impossible to completely insulate the Fund from prepayment or other such risks. Prepayments give rise to increased re-investment risk, as the Fund might realize excess cash earlier than expected. If prepayment rates increase, including, for example, when the prevailing level of interest rates falls, the Fund may be unable to re-invest cash in a new investment with an expected rate of return at least equal to that of the investment repaid.

Extension Risk. When interest rates rise, certain obligations may be paid off by the obligor at slower rates, resulting in lengthening the average life of the debt instruments held by the Fund and the Fund receiving principal later than expected which can cause additional volatility. This would delay the Fund's ability to reinvest proceeds at higher interest rates. Rising interest rates tend to extend the duration of securities, making them more sensitive to future changes in interest rates. As a result, in a period of rising interest rates, securities may exhibit additional volatility and may lose value.

High-Yield Investments Risk. Fixed income investments receiving below investment grade ratings (i.e., "junk bonds") may have speculative characteristics, and, compared to higher-grade investments, may have a weakened capacity to make principal and interest payments in economic conditions or other circumstances. High-yield, high risk, and lower-rated investments are subject to additional risk factors due to the speculative nature of these investments, such as increased possibility of default, decreased liquidity, and fluctuations in value due to public perception of the issuer of such investments. These bonds are almost always uncollateralized and subordinate to other debt that an issuer may have outstanding. In addition, both individual high-yield investments and the entire high-yield bond market can experience sharp price swings due to a variety of factors, including changes in economic forecasts, stock market activity, large, sustained sales by major investors or a higher profile default.

Certain of the Fund's investments may not conform to conventional loan standards applied by traditional lenders and either will not be rated or will be rated as non-investment grade by the rating agencies. The non-investment grade ratings for these assets typically result from the overall leverage of the loans, the lack of a strong operating history for the underlying loans, the borrowers' credit history, the cash flow resulting from its assets or other factors. In addition, there may be less readily available, reliable information about senior loans and notes than is the case for many other types of securities. Any collateral used to secure a debt instrument may decline in value or become illiquid, which would adversely affect the instrument's value. There can be no assurance that liquidation of collateral would satisfy a borrower's obligation in the event of nonpayment of scheduled interest or principal or that such collateral could be readily liquidated. To the extent that a debt instrument is collateralized by stock in the borrower or its subsidiaries, such stock may lose all of its value in the event of the bankruptcy of the borrower.

Rating Agencies Risk. Future actions of any rating agency can adversely affect the market value or liquidity of the Fund's investments. Rating agencies rating a debt instrument, including ABS, collateralized debt obligations, and other structured instruments, may change their published ratings criteria or methodologies for debt instruments at any time in the future. Further, such rating agencies may retroactively apply any such new standards to the ratings of the debt instrument purchased by the Fund. Any such action could result in a substantial lowering (or even withdrawal) of any rating assigned to any such debt instrument, despite the fact that such debt instrument might still be performing fully to the specifications set forth for such debt instrument in the related transaction documents. The rating assigned to any debt instrument may also be lowered following the occurrence of an event or circumstance despite the fact that the related

rating agency previously provided confirmation that such occurrence would not result in the rating of such debt instrument being lowered. Additionally, any rating agency may, at any time and without any change in its published ratings criteria or methodology, lower or withdraw any rating assigned by it to any class of debt instrument. If any rating initially assigned to any debt instrument is subsequently lowered or withdrawn for any reason, holders of such security may not be able to resell their security without a substantial discount. Any reduction or withdrawal to the ratings on a debt instrument may significantly reduce the liquidity thereof and may adversely affect the debt instrument issuer's ability to make certain changes to the composition of the debt instrument assets since the debt instrument's indenture may contain restrictions on portfolio modifications that are tied to the ratings on the debt instrument.

A rating agency may also revise or withdraw its ratings of a debt instrument as a result of a failure by the issuer or the manager of such debt instrument to provide it with information requested by such rating agency or comply with any of its obligations contained in the engagement letter with such rating agency, including the posting of information provided to the rating agency on a website that is accessible by rating agencies that were not hired in connection with the issuance of the debt instruments as required by law. In addition, a debt instrument may receive an unsolicited rating, which may have an adverse effect on the liquidity or the market price of such debt instrument. Any such revision or withdrawal of a rating as a result of such a failure might adversely affect the liquidity and value of the debt instrument.

Counterparty Risk. Some institutions (including brokerage firms and banks) with which the Fund will enter into counterparty relationships or to which securities will be entrusted for custodial and/or prime brokerage purposes, may encounter financial difficulties, fail or otherwise become unable to meet their obligations. In conditions of market turmoil, such financial institutions' financial condition (as well as that of the Fund) may be adversely affected and they may become subject to legal, regulatory, reputational and other unforeseen risks that could have a material adverse effect on the activities and operations of the Fund. In the event of a bankruptcy or insolvency of such a counterparty, the Fund could experience delays in liquidating an investment and significant losses, including the loss of that portion of the Fund's portfolio held by such a counterparty, which may arise as a result of a decline in the value of an investment during the period in which the Fund seeks to enforce its rights, the inability to realize any gains on an investment during such period and significant fees and expenses incurred in enforcing its rights. The Fund is subject to the risk that such counterparties may or may not have access to finance and/or assets at the relevant time and may fail to comply with their obligations under the relevant arrangements.

Sustainability Risk. Sustainability risk means an ESG event or condition, that, if it occurs, could cause an actual or a potential material negative impact on the value of one or more of the Fund's investments. Sustainability risks can either represent a risk of their own or have an impact on other risks and may contribute significantly to other risks, such as market risks, operational risks, liquidity risks or counterparty risks. Sustainability risks may have an impact on long-term risk adjusted returns for investors. Assessment of sustainability risks is complex and may be based on ESG data, which is difficult to obtain and incomplete, estimated, outdated or otherwise materially inaccurate. Even when identified, there can be no guarantee that the assessment of this data will produce relevant conclusions.

Non-U.S. Investment Risk. The Fund will make investments in Aviation Assets globally. Certain foreign investments involve risks and special considerations not typically associated with U.S. investments. Such risks include: the risk of nationalization or expropriation of assets or confiscatory taxation; social, economic and political uncertainty, including war and revolution; dependence on exports and the corresponding importance of international trade; price fluctuations, market volatility, less liquidity and smaller capitalization of securities markets; currency exchange rate fluctuations; rates of inflation; controls on, and changes in controls on, foreign investment and limitations on repatriation of invested capital and on the Fund's ability to exchange local currencies for U.S. dollars; U.S. and foreign withholding taxes; governmental involvement in and control over the economies; governmental decisions to discontinue support of economic reform programs generally and impose centrally planned economies; less extensive regulation of the securities markets; longer settlement periods for securities transactions; less developed corporate laws regarding fiduciary duties and the protection of investors; less developed bankruptcy laws; and certain considerations regarding the maintenance of the Fund's portfolio securities and cash with foreign sub-custodians and securities depositories.

There may be less publicly available information about certain foreign companies than would be the case for comparable companies in the United States, and certain foreign companies and assets may not be subject to accounting, auditing and financial reporting standards and requirements comparable to, or as uniform as, those of U.S. companies, which may result in the unavailability of material information about issuers. Certain countries require governmental approval prior to investments by foreign persons, or limit the amount of investment by foreign persons in a particular

company, or limit investment by foreign persons to a specific class of securities of a company that may have less advantageous terms than the classes available for purchase by nationals. Some countries require governmental approval for the repatriation of investment income, capital or the proceeds of sales of securities by foreign investors. The Fund could be adversely affected by delays in, or a refusal to grant, any required governmental approval for repatriation of capital or earnings, as well as by the application to the Fund of restrictions on investments. The judicial systems of jurisdictions outside of the United States vary in terms of speed, commercial sophistication, impartiality, consistency of results and adherence to judicial precedent. As a result, the Fund may have difficulty in successfully pursuing claims in the courts of certain non-U.S. jurisdictions, as compared to the United States.

Foreign Currency Risk. Because the Fund may invest in securities or other instruments denominated or quoted in currencies other than the U.S. dollar, changes in foreign currency exchange rates may affect the value of instruments held by the Fund and the unrealized appreciation or depreciation of investments. Currencies of certain countries may be volatile and therefore may affect the value of instruments denominated in such currencies, which means that the Fund's NAV could decline because of changes in the exchange rates between foreign currencies and the U.S. dollar. The Fund may incur costs in connection with the conversions between various currencies. In addition, certain countries may impose foreign currency exchange controls or other restrictions on the repatriation, transferability or convertibility of currency.

U.S. Government Securities Risk. U.S. government securities are obligations of, or guaranteed by, the U.S. government, its agencies or government-sponsored entities. Certain U.S. government securities are backed by the U.S. Department of the Treasury or the full faith and credit of the United States and may include U.S. Treasury bills, Treasury Inflation-Protected Securities, notes and bonds. Such securities are guaranteed only as to the timely payment of interest and principal when held to maturity. U.S. government securities include issues by non-governmental entities (like financial institutions) that carry direct guarantees from U.S. government agencies as part of government initiatives in response to a market crisis or otherwise. Although the U.S. government guarantees principal and interest payments on securities issued by the U.S. government and some of its agencies, such as securities issued by the Ginnie Mae, this guarantee does not apply to losses resulting from declines in the market value of these securities. Some of the U.S. government securities that the Fund may hold are not guaranteed or backed by the full faith and credit of the U.S. government, such as those issued by Fannie Mae and Freddie Mac. The total public debt of the United States as a percentage of gross domestic product has grown rapidly since the beginning of the 2008–2009 financial downturn. Although high debt levels do not necessarily indicate or cause economic problems, they may create certain systemic risks if sound debt management practices are not implemented. A high national debt can raise concerns that the U.S. government will not be able to make principal or interest payments when they are due. This increase has also necessitated the need for the U.S. Congress to negotiate adjustments to the statutory debt ceiling to increase the cap on the amount the U.S. government is permitted to borrow to meet its existing obligations and finance current budget deficits. On June 3, 2023, the Fiscal Responsibility Act of 2023 was signed into law. The law suspends the limit on federal debt through January 1, 2025 while implementing federal spending caps and policy changes. Any controversy or ongoing uncertainty regarding the statutory debt ceiling negotiations may impact the U.S. long-term sovereign credit rating and may cause market uncertainty. As a result, market prices and yields of securities supported by the full faith and credit of the U.S. government may be adversely affected. As of March 2026, U.S. Treasuries are rated AA+ by Fitch Ratings and S&P Global, and Aa1 by Moody's.

Investment Company and ETF Risk. Investments in open-end and closed-end investment companies, including ETFs (which may, in turn, invest in bonds, and other financial vehicles), involve substantially the same risks as investing directly in the instruments held by these entities. However, the investment may involve duplication of certain fees and expenses. By investing in an investment company or ETF, a Fund becomes a shareholder of that fund. As a result, Fund shareholders indirectly bear their proportionate share of the investment company's or ETF's fees and expenses which are paid by a Fund as a shareholder of the fund. These fees and expenses are in addition to the fees and expenses that Fund shareholders directly bear in connection with a Fund's own operations. If the investment company or ETF fails to achieve its investment objective, a Fund's investment in the fund may adversely affect the Fund's performance. In addition, because ETFs and many closed-end funds are listed on national stock exchanges and are traded like stocks listed on an exchange, (1) a Fund may acquire ETF or closed-end fund shares at a discount or premium to their NAV and (2) ETFs are subject to brokerage and other trading costs, which could result in greater expenses to the Fund. Finally, because the value of ETF shares depends on the demand in the market, the Investment Manager may not be able to liquidate a Fund's holdings at the most optimal time, adversely affecting the Fund's performance.

Risks Related to Aviation Assets

General

Aviation Assets. In addition to factors linked to the aviation industry, other factors that may affect the value of an aircraft at any time include: (i) the capital intensive nature of aviation assets; (ii) the particular maintenance and operating history of the related airframe and engines; (iii) manufacture and type or model of aircraft or engines, including the number of operators using such type or model; (iv) whether the aircraft is subject to a lease and, if so, whether the lease terms are favorable to the lessor; (v) the age of the aircraft; (vi) the advent of newer technology of such aircraft or aircraft types competing with such aircraft; (vii) any tax, customs, regulatory and legal requirements that must be satisfied when an aircraft is purchased, sold or re-leased; (viii) compatibility of aircraft configurations or specifications with other aircraft operated by operators of that type of aircraft; (ix) regulatory actions, including mandatory grounding of the aircraft; (x) any renegotiation of a lease on less favorable terms; (xi) decreases in creditworthiness of lessees and difficulty replacing lessees upon foreclosure; and (xii) the availability of spare parts. Any decrease in values of and lease rates for used commercial aircraft which may result from the above factors or other unanticipated factors may have a material adverse effect on the Fund's investments.

Structure of Investments Risk. Investments made by the Fund may be made through SPVs or intervening holding companies. Although such entities are structured to be non-recourse to the Fund (i.e., bankruptcy remote), the Fund could experience losses or an erosion of the value of its investment if the SPV structure does not work as intended. SPV formalities can break down if the SPV does not legally or economically own the assets it purports to own; cash flows fail to follow the structure outlined in transaction documents; or borrowing base and collateral certifications are not accurate, timely or independently verifiable. In such a case, the SPV may become subject to fraud, misrepresentation and breach claims. These risks are exacerbated in a distressed situation.

In addition, at any time certain tax laws and certain underlying U.S. Treasury regulations or the administrative interpretations of those laws may be amended or be subject to differing interpretations, possibly with retroactive effect, that may have a negative impact on the Fund and could adversely affect the taxation of the Fund or the Fund's shareholders. The tax treatment of a particular SPV may change after an investment has been made or an SPV has been established, with the result that the issuer of investments held by a borrower in respect of loans originated by an SPV becomes subject to tax. Also, the SPVs themselves may become increasingly liable to tax or be required to withhold tax on payments or distributions to the Fund, or may need to be unwound or restructured, in each case resulting in the Fund's returns being reduced. SPVs and holding companies may be subject to such risks both in the jurisdiction of their respective establishment or incorporation and in each jurisdiction of they operate.

Subsidiary Risks. By investing in any Subsidiary, the Fund will be indirectly exposed to the risks associated with such Subsidiary's investments. The instruments that will be held by any Subsidiary will generally be similar to those that are permitted to be held by the Fund and will be subject to the same risks that apply to similar investments if held directly by the Fund. The Subsidiaries will not be registered under the 1940 Act, and, unless otherwise noted, will not be subject to all of the protections of the 1940 Act. The Fund will wholly own and control any Subsidiary, and any Subsidiary will be managed by the Investment Manager and the same portfolio management team as that of the Fund. Our Board will have oversight responsibility for the investment activities of the Fund, including its investment in the Subsidiaries. Changes in the laws of the United States and/or any jurisdiction in which a Subsidiary is formed could result in our inability or the inability of the Subsidiaries to operate as expected and could adversely affect the Fund.

Affiliated Loan Products and Services Risk. Muzinich, and/or certain Muzinich affiliates, are engaged in the loan origination, securitization and loan servicing businesses. An affiliate of Muzinich provides lease and debt servicing to SPVs in which Muzinich clients invest. The Investment Manager or its affiliates may act as collateral manager with respect to certain SPVs in which the Fund may invest. A conflict of interest arises when the Fund participates in loans originated by the Investment Manager or its affiliates, or invests in products for which the Investment Manager or its affiliates provides other loan, leasing or collateral manager services because the Investment Manager or its affiliates will benefit from the fees it receives through such product or as result of providing such service. Such fees may be higher or lower than similar services provided by unaffiliated service providers, although the Investment Manager seeks to provide competitive pricing. The Investment Manager or its affiliates may also benefit to the extent that the Fund's participation in a product helps ensure the viability or success of the product through increased participation in the deal or product, which may also enhance the Investment Manager's reputation. Investment in loans with other clients of Muzinich on a co-investment basis raises certain additional conflicts.

Co-Investment Risk. Co-investment opportunities arise when the Investment Manager pursues an investment that requires more capital than a single client, such as the Fund, has available to invest. Conflicts of interest may arise in such circumstances including ensuring fair allocation of co-investment opportunities over time, ensuring that clients share proportionately in costs arising from such investments, and ensuring that clients participate on substantially the same terms and have substantially the same rights. The Fund is expected to participate in co-investment opportunities only with other clients of the Investment Manager and subject to exemptive relief which is intended to mitigate conflicts of interests. However, the exemptive relief includes conditions that may limit or restrict the Fund's ability to participate in a portfolio investment, including, without limitation, in the event that the available capacity with respect to a portfolio investment is less than the aggregate recommended allocations to the Fund and the other funds. In such cases, the Fund may participate in such investment to a lesser extent than its desired allocation or, under certain circumstances, may not participate in such investment.

Aviation-Backed Debt

Asset-Backed Securities Risk. ABS represent participations in, or are secured by and payable from, lease payments from aircraft or other cash flows. Certain debt instruments may only pay principal at maturity or may only represent the right to receive payments of principal or payments of interest on underlying assets, including Aviation Assets, or government securities, but not both. The value of these types of instruments may change more drastically than debt securities that pay both principal and interest. The Fund may obtain a below market yield or incur a loss on such instruments during periods of declining interest rates. Principal only and interest only instruments are subject to extension risk. The Fund may invest in any tranche of ABS including subordinated (lower-rated) tranches and residual interest (the lowest tranche). CLOs may be highly levered and therefore, lower-rated and equity tranches may be subject to a higher risk of total loss and deferral or nonpayment of interest and principal than more senior tranches. Certain ABS may provide, upon the occurrence of certain triggering events or defaults, for the investors to become the holders of the underlying assets which may include loans or instruments evidencing physical assets. In that case, the Fund may become the holder of securities that it could not otherwise purchase, based on its investment strategies or its investment restrictions and limitations, at a time when such securities may be difficult to dispose of because of adverse market conditions. See "Structured Finance Risk" at page 28.

Syndicated (Floating Rate, Bank, Leveraged, Senior) Loan Risk. The Fund may invest in syndicated loans which include interests in loans to companies or their affiliates undertaken for various purposes. These loans, which may bear fixed or floating rates, have generally been arranged through private negotiations between a company and one or more financial institutions, including banks. Loans are not registered under the federal securities laws like stocks and bonds, so investors in loans have less protection against improper practices than investors in registered securities. The Fund's investments may be in the form of participation in loans or of assignments of all or a portion of loans from third parties. Investments in syndicated loans involve credit risk, interest rate risk, liquidity risk and other risks, including, but not limited to, the risk that any collateral may become impaired, may be insufficient to meet the obligations of the borrower or may be difficult to liquidate. These investments are also subject to the risk that the Fund may obtain less than the full value for the loan interests when sold. Moreover, loan transactions may have significantly longer settlement periods (i.e., longer than seven days) than more traditional investments and, as a result, sale proceeds related to the sale of loans may not be available to make additional investments or to meet a Fund's redemption obligations until potentially a substantial period after the sale of the loans.

Participation Interest Risk. The Fund may purchase participation interests in loans or debt instruments, which do not entitle the holder thereof to direct rights against the obligor. In such situations, the Fund will typically have a contractual relationship only with the relevant seller or counterparty (as the case may be) and not with the underlying obligor. As such, in respect of a participation, the Fund will have the right to receive only payments of principal, interest and any fees to which it is entitled only from the seller and only upon receipt by such seller of such payments from the obligor, and in respect of participations, the Fund generally will have no right directly to enforce compliance by the underlying obligor with the terms of the related loan agreement or underlying obligation (as the case may be) nor any rights of set-off against the underlying obligor, nor have any voting or other consensual rights of ownership with respect to the related loan agreement or underlying obligation (as the case may be). In such circumstances, the Fund may not directly benefit from the collateral supporting the loan or debt instrument in which it has purchased the participation or underlying obligation. As a result, the Fund will assume the credit risk of both the obligor and the seller or counterparty.

In the event of the insolvency of such seller or counterparty, the Fund may be treated as a general creditor of such seller or counterparty and may not benefit from any set-off between such seller and the obligor, or have any claim of title with respect to the underlying obligation. As a result, concentrations of participations entered into with any one counterparty will subject the Fund to an additional degree of risk with respect to defaults by such counterparty as well as by the underlying obligor. When the Fund holds a participation in a loan or debt instrument it may not have the right to vote to waive enforcement of any restrictive covenant breached by an obligor or, if the Fund does not vote as requested by the seller, it may be subject to repurchase of the participation at par. Sellers voting in connection with a potential waiver of a restrictive covenant may have interests different from those of the Fund, and such selling institutions may not consider the interests of the Fund in connection with their votes.

Impairment of Collateral Risk. The value of any collateral securing a bond or floating rate loan can decline and may be insufficient to meet the borrower's obligations or be difficult to liquidate. In addition, a Fund's access to collateral may be limited by bankruptcy or other insolvency laws.

Borrower Fraud. Fraud by potential borrowers could cause the Fund to suffer losses. A potential borrower could defraud the Fund by, among other things: directing the proceeds of collections of its accounts receivable to bank accounts other than the Fund's established lockboxes; failing to accurately record accounts receivable aging; overstating or falsifying records showing accounts receivable; or providing inaccurate reporting of other financial information. The failure of a potential borrower to report its financial position accurately, comply with loan covenants or be eligible for additional borrowings could result in the loss of some or the entire principal of a particular loan or loans.

Liability Risk Following the Disposal of Investments. While the Fund could hold its investments to maturity, it will likely dispose of investments in some circumstances prior to termination if the Manager determines it is in the best interest of the Fund to do so and, in connection therewith, may be required to pay damages to the extent that any representations or warranties given in connection with the sale of such investments turn out to be inaccurate. The Fund may become involved in disputes or litigation concerning such representations and warranties and may be required to make payments to third parties, such as other investors or the sponsor, as a result of such disputes or litigation. In the event the Fund does not have cash available to conduct such litigation or make such payments, it may be required to borrow funds. Any such payments and borrowings could adversely impact the Fund's ability to make distributions. In addition, if the Fund is unable to borrow funds to make such payments, it may be forced to sell investments to obtain funds. Such sales may be effected on unsatisfactory terms.

Lending Risk. The Fund may purchase assignments of or participations in loans made to, various issuers, including distressed loans. Such investments may include senior secured, junior secured and mezzanine loans and other secured and unsecured debt that has been originated on a primary basis or that trade on the secondary market including loans originated by the Investment Manager. The value of the Fund's investments in loans may be detrimentally affected to the extent a borrower defaults on its obligations, there is insufficient collateral and/or there are extensive legal and other costs incurred in collecting on a defaulted loan. In the event of any litigation associated with the Fund needing to collect on a defaulted loan, such litigation may consume substantial amounts of the Investment Manager's time and attention, and that time and the devotion of these resources to litigation may, at times, be disproportionate to the amounts at stake in the litigation.

Adjustments to Terms of Investments. The terms and conditions of loan agreements and related documents may be amended, modified or waived only by the agreement of the lenders. Generally, any such agreement must include a majority or a super majority (measured by outstanding loans or commitments) or, in certain circumstances, a unanimous vote of the lenders. Consequently, the terms and conditions of the payment obligation arising from loan agreements could be modified, amended or waived in a manner contrary to the preferences of the Fund if a sufficient number of the other lenders concurred with such modification, amendment or waiver. There can be no assurance that any obligations arising from a loan agreement will maintain the terms and conditions to which the Fund originally agreed.

The exercise of remedies may also be subject to the vote of a specified percentage of the lenders thereunder. The Investment Manager will have the authority to cause the Fund to consent to certain amendments, waivers or modifications to the portfolio investments requested by obligors or the lead agents for loan syndication agreements. The Investment Manager may, in accordance with its investment management standards, cause the Fund to extend or defer the maturity, adjust the outstanding balance of any investment, reduce or forgive interest or fees, release material collateral or guarantees, or otherwise amend, modify or waive the terms of any related loan agreement, including the payment terms thereunder. The Investment Manager will make such determinations in accordance with its investment

management standards. Any amendment, waiver or modification of an investment could adversely impact the Fund's investment returns.

Leverage Risk of Investments. SPVs in which the Fund invests are expected to incur indebtedness in connection with the acquisition of Aviation Assets, which debt would typically be secured by the assets so acquired and nonrecourse to the Fund. Such leverage might subject these investments to increased exposure to adverse economic factors such as a rise in interest rates, a downturn in the economy or further deterioration in the condition of a counterparty and/or the aviation market. SPVs may, but are not required to, also own hedging positions to try to mitigate or offset certain risks, but there is no guarantee that such hedges, if held, will be successful. In the event of a default, an SPV may be unable to generate sufficient cash flow to meet the principal and interest payments on outstanding indebtedness incurred in connection with any portfolio investments. In such an instance, if the Fund is unable to ensure the principal and interest payments resume within a certain "standstill period", the senior ranking lenders would have the right to take control of the aircraft and may seek to sell or lease the aircraft. Such an event may have a material adverse effect on the Fund's investments even if the sale or lease terms would be sufficient to service the debt. These agreements may also have provisions such as increased costs or material adverse change clauses which may be claimed and may be outside of the Fund's or lenders' control. If the Fund cannot manage such claims appropriately, it may have a material effect on the Fund's investments.

Controls on Investment; Repatriation Limitation. In the course of sale of the aircraft or a restructuring of the aircraft portfolio, it is typically necessary to transfer the aircraft or change the registration of aircraft, or transfer substantial amounts of capital from one jurisdiction to another in the context of such events. In some jurisdictions, such transfer, or the transfer or repatriation of capital or the repossession of the aircraft may be or may become legally impaired or may be subject to approval by local authorities.

Structured Finance Risk. The Fund may invest in structured finance products in relation to Aviation-Backed Debt. There may be significant risks associated with investing in structured finance products. Their structure and the terms of the investors' interest in the underlying collateral vary widely, depending on, amongst other things, the collateral type, use of credit enhancement and investor requirements. While the basic elements of structured finance products are broadly similar, the structure and execution of individual products may differ. Risks relating to structured finance products include, but are not limited to, credit risk, liquidity risk, currency risk, interest rate risk, market risk, operational risk, structural risk and tax and legal risk. Concentration of structured finance products by issuer, servicer or geography may result in additional risk to the Fund. In particular, specific risks are associated with asset-backed securities, which may include Aviation-Backed Debt. The risk of investing in asset-backed securities is ultimately dependent upon payment of loans by the debtor or, in certain instances, the guarantor along with the financial performance of the underlying asset, and any ability of the debtor to prepay. The Fund may invest in any tranche of structured finance products including subordinated (lower-rated) tranches and residual interests (the lowest tranche). Such products may be highly levered and therefore, lower-rated and equity tranches may be subject to a higher risk of total loss and deferral or nonpayment of interest and principal than more senior tranches.

The performance of structured finance products is also, to an extent, dependent on the capability and focus of the servicer of the transaction as they are responsible for the collections on and administration of the underlying assets. The quality and performance of the underlying assets in structured finance products may also depend on the experience, skill and underwriting terms of the relevant originator. There can be no assurance that the servicer and/or originator of a structured finance product will be able to operate in a manner which meets the Investment Manager's expectations, and it cannot be assured that the underlying assets of the relevant transactions will perform in a manner which meets the return or recovery estimations of the Investment Manager.

Securitization Structuring Risk. The Fund may structure funding transactions through establishing securitization vehicles to which some or all of the Aviation Assets will be transferred. In the case of a funding transaction, the Fund expects to be issued the most junior tranches of securities in such securitization vehicles, which are generally unrated or rated below investment grade. Such securities are subordinated to payments of interest and principal on higher-rated securities of the securitization vehicle and will be directly affected by any losses or delays in payment on the related collateral. Interests in securitization vehicles (other than an investment in the most senior tranche) can be considered a levered investment in the underlying collateral of the securitization vehicle because the amount of the investment is significantly below the principal value of the securitization vehicle's equity and below investment grade debt's pro rata portion of the underlying collateral. However, a securitization vehicle's equity and below investment grade debt

tranches, due to their subordinated nature, are the first and second tranches, respectively, to absorb trading losses and defaults in the underlying collateral. Therefore, while the levered nature of a securitization vehicle's equity and below investment grade debt tranches increase the cash flow that may be available for distribution, they also increase the exposure to trading losses and defaults, and accordingly, cause returns to be more volatile. Payments on securitization vehicle equity and below investment grade debt tranches may be deferred or eliminated depending on the amount of cash flow generated by the collateral. At the end of the lifespan of an investment, the Fund's interests may be held through an exit vehicle, typically an SPV that facilitates the wind-down of the transaction and final distribution of proceeds to investors.

Aviation Leases

Ownership Risk Associated with Investment Strategy. The Investment Manager's ability to promptly repossess, sell, re-lease or, to a lesser extent, part-out Aviation Assets in order to recover the original investment, and make a profit, is critical to the success of the Fund's investment strategy. Numerous factors, many of which are beyond the control of the Investment Manager, may have an impact on the ability to promptly repossess, sell, re-lease or, to a lesser extent, part-out Aviation Assets. Such factors include the demand for various types of aircraft and engines, general market and economic conditions, regulatory initiatives (particularly those imposing environmental, maintenance and other requirements on the operation of aircraft), significant shifts in the supply of or demand for Aviation Assets, and technological advances in airframe and/or engine technology. In addition, the sale price and profitability of an Aviation Asset will depend upon the condition in which it is recovered by or returned to its respective owner or lessor.

The Fund may enter into lease agreements that specify re-delivery conditions with respect to major components including the airframe, engines, landing gear, and auxiliary power unit. Accordingly, the compliance of operators and airlines with re-delivery conditions will determine the value and marketability of the aircraft. If any lessee fails to deliver complete and accurate records of leased Aviation Assets upon re-delivery of such Aviation Assets, the SPV may be unable to sell or re-lease such Aviation Assets to operators and airlines because airworthiness requirements could prohibit the use of aircraft containing such Aviation Assets that do not have complete documentation. In some cases, the lessee will pay a security deposit that is refundable upon the expiration of the lease; provided, that all re-delivery conditions are met and that the lessee has not defaulted under the lease.

Also, certain lessees may be required to make periodic maintenance reserve payments to the lessor based on the number of hours or cycles the aircraft or engine has accrued. The lessee may, generally after maintenance is performed on the leased asset, then draw upon such reserves to cover the cost of scheduled maintenance. Upon the expiration of the lease, unused reserves are typically retained by the lessor. In any event, there is the risk that such reserves will not be sufficient to cover costs and expenses incurred by the SPV after the Aviation Asset is returned and that the SPV, and the investors' investment in the Fund, will thereby be adversely affected.

Airline Leasing Risks. The aircraft leasing market is affected by various cyclical factors that are not within the control of the Investment Manager such as: interest rates; the availability of credit; fuel costs and general economic conditions affecting lessee operations; manufacturer production level; passenger demand; retirement and obsolescence of aircraft models; manufacturers merging or exiting the industry or ceasing to produce aircraft types; re-introduction into service of aircraft previously in storage; governmental regulation; and air traffic control infrastructure constraints.

The availability of commercial jet aircraft for lease or sale has periodically experienced cycles of oversupply and undersupply, producing sharp decreases and increases in aircraft values and lease rates. At the time when aircraft are being marketed for re-lease or sale, there can be no assurance that prevailing industry conditions will allow re-lease or, where applicable, sale, on satisfactory terms.

In addition to general industry factors that may affect aircraft values and lease rates, the value of specific aircraft will depend on a number of other factors that are not within the control of the Investment Manager, such as the particular maintenance and operating history of the aircraft, the number of operators using the type of aircraft and the supply of such type of aircraft, whether the aircraft is subject to a lease and any regulatory and legal requirements that must be satisfied before the aircraft can be sold. Values of aircraft may be adversely affected by changes in the competitive and financial position of the relevant commercial aircraft manufacturer, by the withdrawal of such manufacturer from that market or by unexpected manufacturing defects that may surface subsequently.

A significant threat to used commercial aircraft values and lease rates is the supply effects of the significant numbers of new aircraft ordered. Despite the cyclically high demand for aircraft experienced over the last few years and

the significant consolidation in the aircraft manufacturing industry, competition between Boeing and Airbus has resulted in decreases in the price of new aircraft when adjusted for inflation, which in turn has led airlines and others to order increasing quantities of new aircraft. The displacement effect of new aircraft will depress used aircraft values and lease rates, particularly in geographic regions where there is currently perceived to be a significant excess of commercial aircraft capacity. Decreases in the values and rental rates achievable on used commercial aircraft as a result of the above factors may have a material adverse effect on the Fund's operations and cash flows.

Higher Costs Resulting from Lease or Consignment Default. Repossession of an aircraft by the SPV leasing the aircraft after a lessee or consignee default may result in the SPV (and, indirectly, the Fund) incurring costs in excess of those incurred with respect to an aircraft returned at the end of the lease or consignment. Those costs include legal and other expenses of court or governmental proceedings (particularly if the lessee or consignee contests the proceedings or is in bankruptcy) to obtain possession and/or re-registration of the aircraft and flight and export permissions. Delays resulting from any such proceedings would also increase the period of time during which the relevant aircraft is not generating revenue pursuant to a lease agreement. In addition, the Fund may incur substantial insurance, maintenance or repair costs (that a defaulting lessee has failed to pay) as well as refurbishment and remarketing costs and may need to pay off liens, taxes and governmental charges in order to obtain unencumbered possession and to re-lease the aircraft effectively. Some foreign jurisdictions may allow liens or other third-party rights to have priority over the owner of an aircraft (including, without limitation, outstanding mechanic, airport and navigation fees in respect of the aircraft and also in respect of other aircraft operated by the lessee, but not owned by the Fund), which could result in reducing the benefits of the Fund's ownership of an aircraft in certain jurisdictions and circumstances.

If the SPV, in the exercise of its remedies, repossesses the aircraft, no assurance can be made that the affected aircraft will be able to be re-leased promptly or at favorable rates. The SPV may incur costs in connection with the physical repossession of the aircraft as well as for reconfiguration of the aircraft (e.g., reordering of seats, repainting of aircraft, etc.) to meet the needs of the next operator of the aircraft. Any such costs or delays will adversely impact the returns of the Fund. The rights of the SPV upon a lessee default may be subject to limitations of applicable law, including the need to obtain a court order for repossession of aircraft and/or consents for deregistration or re-export of aircraft. When a defaulting lessee or consignee is in bankruptcy, protective administration, insolvency or similar proceedings, additional limitations may apply; it may be uncertain to what extent the ownership interest of the relevant owner in the aircraft would be recognized by such jurisdiction. Certain jurisdictions will give rights to the trustee in bankruptcy or a similar officer to assume or reject the lease or consignment or to assign it to a third party, or will entitle the lessee or consignee, as the case may be, or another third party to retain possession of the aircraft (without performing all or some of the obligations under the relevant lease or consignment, as the case may be). Accordingly, the SPV may be delayed in or prevented from, or may incur additional costs including legal costs, enforcing certain of the SPV's rights under a lease agreement or consignment and in selling the affected aircraft. Such delays and costs may adversely impact the returns of the Fund.

Intensified Competition on Aircraft Financing and Leasing Market. The aviation finance market is highly competitive and has numerous operators acting within market segments targeted by the Fund's investment strategy. Accordingly, the Fund is expected to face competition from new direct or indirect competitors, which competition may affect lease and financing terms as well as the terms governing the acquisition and disposal of used aircraft. Potential competitors include airlines, aircraft lessors, banks, financial institutions (including those seeking to dispose of repossessed aircraft at distressed prices), public and private part resellers and investment funds. Some of the Fund's direct and indirect competitors could have significantly greater resources than the Fund. In addition, certain competing aircraft lessors may have a lower overall cost of capital and may provide financial services or other inducements to potential lessees that the Fund cannot provide. The Fund cannot assure investors that the Fund will be able to compete effectively in the used aircraft market. It is possible that the Fund will never be fully invested in Aviation Assets if the Investment Manager cannot identify a sufficient number of attractive investments. In the event the Fund is unable to fully invest its capital, returns to investors may be significantly adversely affected.

Technological Risks. The availability for sale or lease of new, technologically advanced aircraft and engine types and the imposition of stringent noise or emissions regulations or mandatory Airworthiness Directives (as defined below) may make certain aircraft or engine types less desirable in the marketplace and therefore may adversely affect the Fund's ability to lease or sell such aircraft or engines or parts thereof. It is expected that the Fund's ability to manage these technological risks by modifying or selling aircraft and engines will be limited.

Effect of Airline Bankruptcy. Applicable bankruptcy law often allows airlines to terminate leases early and to return aircraft and engines without meeting the contractual return conditions, and if such an event were to occur the full amount, or any part of, claims for these lease terminations may not be paid. Alternatively, agreements may be negotiated with those airlines under which the airline continues to lease the aircraft, but under modified lease terms. In the case of an airline which has ceased operations entirely, in addition to the risk of nonpayment, there is an enhanced risk of deterioration or total loss of an aircraft while it is under uncertain custody and control. In that case, legal action may be required to secure the return of the aircraft and its records, or alternatively to negotiate a settlement under which it can immediately recover the aircraft and its records in exchange for waiving subsequent legal claims. Such legal action may not yield satisfactory results in a given time period. Additional grounded aircraft and lower market values would adversely affect the ability to sell the aircraft at rates comparable to the initial leases.

Risk of Decline in Aircraft Value, Rental Rates, and Part Prices. In addition to factors linked to the aviation industry, other factors that may affect the value of aircraft and lease rates, as the case may be, include, without limitation: (i) manufacturers merging or exiting the industry or ceasing to produce certain aircraft models; (ii) the particular maintenance and operating history of aircraft and engines; (iii) the number of operators using a type of aircraft; (iv) whether the aircraft is subject to a lease; (v) any regulatory and legal requirements that must be satisfied before the aircraft can be operated, sold or re-leased, including Airworthiness Directives (as defined below); (vi) compatibility of aircraft parts and layout of the aircraft among operators of particular aircraft; (vii) any renegotiation of a lease on less favorable terms; (viii) manufacturing production levels and technological innovation; (ix) import restrictions; (x) retirement and obsolescence of aircraft models; (xi) traffic growth; (xii) fuel prices; (xiii) airline profitability; (xiv) existing supply of parked aircraft; and (xv) regulatory changes impacting the used parts market. Any decrease in values of and lease rates for used commercial aircraft which may result from the above factors or other unanticipated factors may have a material adverse effect on the Fund's operations and cash flow and may adversely affect their investments and, therefore, the value of investors' interests in the Fund.

The supply of large passenger jet aircraft is dominated by a small number of airframe manufacturers, including Boeing and Airbus, and a limited number of engine manufacturers such as GE Aviation, Rolls Royce plc and Pratt & Whitney. The Fund therefore depends on the success of these manufacturers in remaining financially stable, producing aircraft and related components that meet technical and regulatory requirements and airlines' demands and providing ongoing and reliable customer support.

Disruptions in the capital markets may impair the ability of manufacturers to finance their operations or increase the costs of such financing, which could adversely affect their ability to meet airlines' demands or provide customer support. Further, competition between the manufacturers for market share is escalating and may result in deep discounting for certain aircraft types. Such discounting may have a negative impact on the Fund's ability to compete effectively when it sells or leases aircraft.

Should the manufacturers fail to respond appropriately to changes in the market environment, fail to fulfil their contractual obligations or fail to produce aircraft or components that meet technical or regulatory requirements, the Fund may experience:

- any deterioration in the financial condition of the airline industry;
- poor customer support from the manufacturers of aircraft and components resulting in reduced demand for a particular manufacturer's product;
- a market environment with too many aircraft available, potentially creating downward pressure on demand for those aircraft and components of those types in the Fund's fleet and reduced market lease rates for aircraft of those types;
- a reduction in the Fund's competitiveness due to deep discounting by the manufacturers, which may lead to reduced market lease rates and aircraft values and may adversely affect the value of the portfolio and the Fund's ability to remarket or sell some of the aircraft at a profit or at all; and/or
- poor customer support from the manufacturers of associated components resulting in disruption to the lessees' operations and consequent loss of revenue for the lessees.

Amortization Risk. The revenue that will be earned from certain leases may not be sufficient to amortize fully the investment and financing costs related to the underlying aircraft. A wide array of economic factors and regulations

may affect the price at which the Fund can dispose of its Aviation Assets, which, in turn, may reduce the overall rate of return generated by the Fund's investments.

Lessee Credit Risk. Many factors can substantially and quickly impact an individual airline's viability. These include fuel prices, pandemics, labor disruptions, air crashes, and new or intensified competition. Should a lessee file for a re-organization under bankruptcy statutes, there is the added risk the lessor/owner may be at least temporarily prohibited from foreclosing on or repossessing its aircraft. Most developed countries, like the United States (which affords lessors and other secured parties certain protection and certain rights pursuant to Section 1110 of the U.S. Bankruptcy Code), have specific laws that determine how and when a secured party or a lessor in a bankruptcy can repossess an aircraft. Although the process is improving due to the approval of, and certain jurisdictions joining, the Cape Town Convention on International Interests in Mobile Equipment and the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment (the "Cape Town Convention"), the process can be slow, expensive, and in some instances may result in lost revenue and thus negatively impact the proceeds that would otherwise be received by the Fund. Even in certain countries that are party to the Cape Town Convention, the relevant national implementing legislation may not be consistent with the Cape Town Convention, or, even if consistent with the Cape Town Convention, may not be consistently or correctly applied by domestic courts with the result that judicial decisions may not deliver the results expected under the Cape Town Convention or may deliver them only after significant delays and appeals to higher courts.

Lessee or Borrower Defaults and Other Credit Problems. The ability of each borrower or lessee to perform its obligations under its liabilities will depend primarily on the borrower/lessee's financial condition, which may be affected by factors beyond the Fund's control, including competition, fare levels, air cargo rates, passenger and air cargo demand, operating costs (including the price and availability of jet fuel and labor costs), labor difficulties, economic conditions in the countries in which an airline operates and governmental regulation of or affecting the air transportation business. At any point in time, a varying number of lessees may experience payment difficulties. In addition, many lessees are exposed to currency risk due to the fact that they earn revenues in their local currencies and certain of their liabilities and expenses are denominated in U.S. dollars, including lease or loan payments to the Fund. As a result of their poor financial condition, a large portion of lessees over time may consistently be significantly in arrears in their rental, debt service or maintenance payments. The Fund can give no assurances that lessees will be able to perform their financial and other obligations under future liability agreements. A lessee may also experience periodic difficulties that are not financial in nature, which could impair its performance of its maintenance obligations under a financing agreement. These difficulties may include deferring the performance of scheduled aircraft maintenance. The Fund cannot assure that, in the event that a lessee defaults under a lease, the security deposit paid or the letter of credit provided by the lessee, if any, will be sufficient to cover the outstanding or unpaid obligations accrued under the applicable lease agreement or other lessee obligations such as navigational charges and landing and/or airport fees which may give rise to lien rights in favor of applicable creditors. If such amounts are insufficient, the Fund's ability to make distributions to investors will be adversely impacted.

Re-leasing of Aircraft. Upon the expiry or premature termination of leases, the aircraft will need to be re-leased. The ability to re-lease aircraft will depend on general market and competitive conditions and there is no assurance that potential investors that in the future that a lessee will be able to be found in a timely manner for any aircraft, or if it does find a lessee, to obtain lease rates and terms (including maintenance and redelivery conditions) comparable to those contained in the initial leases or otherwise satisfactory to the Fund, or that the creditworthiness of any future lessee will be equal to or better than the previous lessee of an aircraft. If the average term of the leases is shortened over time, additional costs will be incurred as it goes through the re-leasing process more often than anticipated and there is no assurance that it will be able to re-lease the aircraft upon the expiration or early termination of their respective leases without incurring significant costs or significant off-lease periods or without any adverse effect on the lease rates, especially during any period of downturn in demand for aircraft subject to operating leases. Significant costs may be incurred to rectify lessee defaults (over and above any amounts already paid by the lessee in the form of deposits or reserves) relating to maintenance in order to ensure that the aircraft is capable of being re-leased. If an aircraft cannot be re-leased, an attempt may be required to sell the aircraft but it may not be possible to do so on economically attractive terms.

An SPV's ability to re-lease or sell aircraft, its ability to obtain lease rates and terms comparable to those contained in the initial leases of the aircraft and its ability to sell assets on favorable terms, may be adversely impacted by: any deterioration in the financial condition of the airline industry; the supply and demand for a given aircraft model

at any point in time; manufacturer's rates of manufacture in connection with the advent of newer models of such aircraft; the economic condition of the passenger airline, freight airline and aircraft industries; any sale of large numbers of repossessed aircraft by financial institutions; cyclical changes in interest rates and the availability of credit; fluctuations in the cost of fuel and other materials; the supply of competing aircraft; competition from other aircraft lessors and other alternative sources of capital; airline bankruptcies and insolvencies; the effects of terrorism, armed hostilities and war, including any future terrorist attacks or armed hostilities (or escalation of existing conflict); outbreaks of epidemic diseases or occurrences of natural disasters; continued political and economic uncertainties; the ability to repossess the aircraft from a defaulted lessee; the ability to export an aircraft from or import the aircraft to a given jurisdiction; and other factors affecting the demand and lease rates for aircraft generally and for particular aircraft.

It cannot be assured that it will be possible to re-lease the aircraft upon the expiration or early termination of its leases without the incurring of significant costs or significant off-lease periods or without any adverse effect on the lease rates, especially during any period of downturn in demand for aircraft subject to operating leases. Significant costs may be incurred to rectify lessee defaults relating to maintenance in order to ensure that the aircraft are capable of being re-leased. If an aircraft, whether as a result of the expiration of the applicable lease term or as a result of repossession, cannot be re-leased, it may be necessary to attempt to sell such aircraft but may not be able to do so on economically attractive terms. Any of these factors could cause less revenue to be earned or greater operating expenses to be incurred than initially assumed.

Investments in Undervalued Aviation Assets. The Fund may invest in Aviation Assets that become undervalued and stressed or distressed. The identification of investment opportunities in such assets is a difficult task, and there is no assurance that such opportunities will be successfully acquired or sold. While investments in undervalued assets offer the opportunity for above-average capital appreciation, such investments involve a high degree of financial risk and can result in substantial losses. Returns generated from the Fund's undervalued investments may not adequately compensate investors for the business and financial risks assumed. The Fund may incur a substantial loss if the assets which the Investment Manager believes are undervalued are not in fact undervalued and may be forced to sell such assets at a substantial loss. In addition, the Fund may be required to hold such assets for a substantial period of time before realizing their anticipated value. Once purchased, such assets will often require additional ongoing maintenance capital from the Fund. During this period, a portion of the Fund's funds would be committed to the assets purchased, thus possibly preventing the Fund from investing in other opportunities.

Restructuring of Leases. Under certain circumstances, including when a lessee is late in making payments or fails to make payments in full under the lease or is subject to an insolvency or reorganization proceeding, the Fund may be requested to, or it may, on its own initiative, restructure a lease. Restructuring may involve anything from a simple rescheduling of payments, a reduction of rental or other payments, or an easing of return conditions upon the termination of a lease, in each case without receiving all or any portion of the past due amounts. If any leases are restructured, the Fund expects that the reduced or deferred rental payments would be payable over all or some part of the remaining term of the lease or through an extension of the lease. The Fund may have no alternative but to agree to such rental reductions in the event no viable substitute lessee is available. The Fund may be unable to agree upon acceptable terms for some or all of the requested restructurings and as a result may exercise its remedies under those leases. If the SPV, in the exercise of its remedies, repossesses the aircraft, there is no assurance that it will be able to re-lease the aircraft promptly or at favorable rates. Restructurings with some lessees may occur. The terms and conditions of possible lease restructurings may result in significant reductions of rental payments and adversely impact the returns of the Fund.

Jurisdictional Risk. An SPV may lease Aviation Assets to operators and airlines located in countries that have less developed economies and legal systems that are more vulnerable to economic and political problems, such as civil disturbances, government instability, nationalization and expropriation of private assets, the imposition of taxes or other charges by governments and significant fluctuations in gross domestic product, interest rates and currency exchange rates. The resulting instability may adversely affect the ability of operators and airlines which operate in those markets to meet their lease obligations, and those operators and airlines may be more likely to default than operators and airlines that operate in developed economies. Further, lessors may have difficulty enforcing their rights under leases in those jurisdictions. Such factors, among others, may adversely affect the Fund's investments in certain jurisdictions and negatively impact the Fund's returns.

Maintenance of Aircraft During Lease Term; Funding of Maintenance; Maintenance Reserves. Under the leases to which the Fund will be exposed, the relevant lessee is generally primarily responsible for maintaining the aircraft and

complying with all governmental requirements applicable to the lessee and the aircraft including operational, maintenance, and registration requirements and Airworthiness Directives (as defined below). Failure of a lessee to perform required maintenance with respect to an aircraft during the term of a lease could result in a diminution in value of such aircraft's parts upon termination of such lease. A continuous failure by a lessee to meet its maintenance obligations under the relevant lease (i) could result in a grounding of the aircraft; (ii) in the event of a re-leasing of the aircraft, could cause the Fund to incur integration and other costs, which may be substantial, in restoring the aircraft to an acceptable maintenance condition; (iii) could result in a lower rental rate or shorter term under any new lease to which the aircraft may be subject following repossession of the aircraft; and (iv) would be likely to adversely affect the value of the aircraft.

Actual rental and maintenance payments by lessees and other cash that the Fund receives may be significantly less than projected as a result of numerous factors, including defaults by lessees and the Fund's possible inability to obtain satisfactory maintenance provisions in lease agreements. In some cases, a lessee may be entitled to substitute a letter of credit for maintenance reserve payments. Some leases do not provide for any maintenance reserve payments or letters of credit to be made or pledged, as the case may be, by lessees as security for their maintenance obligations, and there can be no assurance that future lease agreements will contain such requirements. Maintenance reserves may be insufficient to cover the scheduled maintenance expenses they are intended to fund. In addition, maintenance reserves may cover certain, but not all, scheduled maintenance requirements. Also, there can be no assurance that lessees will meet their obligations to pay maintenance reserves or perform required scheduled maintenance. If lessees fail to meet their obligation to fund reserves or perform required scheduled maintenance, the Fund may be required to make such payments which may adversely affect the investors' investment in the Fund.

Potential Additional Operating Costs Could Negatively Impact the Fund's Ability to Make Payments. Those costs include: (i) the costs of casualty and liability insurance and the liability costs or losses when insurance coverage has not been or cannot be obtained as required or is insufficient in amount or scope; (ii) the costs of licensing, exporting or importing an aircraft, airport taxes, customs duties, air navigation charges and similar governmental or quasi-governmental impositions, which can be substantial; (iii) penalties and costs associated with the failure of lessees to keep the aircraft registered under all appropriate local requirements or obtain required governmental licenses, consents and approvals; (iv) all other costs of holding an aircraft, including storage, maintenance, ferry flights and crews; and (v) enforcement and resulting costs. The failure to pay some of these costs can result in Aircraft Liens on the aircraft and the failure to register the aircraft can result in a loss of insurance. These matters could result in the grounding of the aircraft and prevent the re-lease, sale or other use of the aircraft until the problem is cured.

Liabilities, Loss and Insurance. In general, operators and airlines are required under the leases to which the Fund will be exposed to indemnify the related lessor for, and insure against, liabilities arising out of use and operation of the aircraft, including third-party claims for death or injury to persons and damage to property for which the Fund may be deemed liable. Operators and airlines are also required to maintain public liability, property damage and aircraft hull insurance on the aircraft at agreed upon levels. They are not, however, required to maintain political risk insurance and there are other types of events that may or may not be insurable by an operator or airline (e.g., direct and/or indirect consequences resulting from seizure of an Aviation Asset by a government official or regulatory body in connection with alleged or actual illegal activity in respect of such Aviation Asset in the possession of a lessee irrespective of such lessee's or the lessor's liability therefor). The operators and airlines may, in some instances, have fleet-wide deductibles for liability insurance. Any hull insurance in respect of such claims will generally be paid to the lessee (in some circumstances up to a cap with the balance going to the lessor), in the event of a partial loss of or damage to the aircraft, to effect repairs, unless there is a total loss with respect to the aircraft in which case insurance proceeds are paid to the lessor or, in the case of liability insurance, to each of the insured parties for indemnification of third-party liabilities. In the event of a total loss, the lessor will usually be entitled to receive insurance proceeds equal to an amount agreed to at the commencement of the lease, and subject to the terms of the applicable lease, the balance of any hull insurance proceeds after deduction for all amounts due and payable by the lessee under such lease, may remain with the lessee. There can be no assurance that insurance of operators and airlines, including any available governmental supplemental coverage, will cover all types of claims that may be asserted against the Fund. Most leases require that such insurances are re-insured in the London market however any inadequate insurance coverage, default by an insurer or default by operators and airlines in fulfilling their indemnification or insurance obligations, or the lack of political risk insurance will affect the proceeds that would be received by the Fund upon an event of loss under the relevant lease agreement or upon a claim under the relevant liability insurance policy.

Liability Risk as Lessor. Under common law, the owner of an aircraft or engine may be held liable for injuries or damage to passengers or property, and such damage awards can be substantial. The legislative/judicial basis for determining liability in such instances will ordinarily be driven by the state of registration of an aircraft. Given this variance in approach to lessor liability, a jurisdictional analysis would generally be conducted prior to investing in any Aviation Asset. This analysis would set out the applicable rules, regulations and case law (as relevant) in the jurisdiction that governs liability for injuries or damage to passengers or property, with reference specifically to the lessor's position in this regard vis-à-vis the applicable Aviation Asset. Because certain case law interpreting certain exculpatory statutory provisions on this topic provides that lessors of aircraft or engines may be liable for losses, there can be no assurance that such statutory provisions would fully protect the lessor and the Fund from all liabilities in connection with any losses that may be caused by any aircraft or engine it owns. Therefore, each lessee typically will be required to indemnify the lessor (typically an SPV) or insure the lessor against, such claims by third parties. Nonetheless, there is a possibility that the lessee might not have the financial resources or insurance to fulfill its indemnity obligations.

Certain non-U.S. jurisdictions may impose strict liability upon an owner of an aircraft or an engine. Such liability may apply with respect to claims of passengers, employees or third parties for death, injury and/or damages to public or private property (including consequences of terrorist attacks) or environmental damages. As described above, operators and airlines may be unable or unwilling to indemnify the Fund, resulting in losses to the Fund. The scope and amount of insurance coverage available to airlines for liability to third persons may decrease while the premiums for such third-party risk insurance may simultaneously or otherwise increase. This situation may result in the operators and airlines or the Fund not obtaining sufficient insurance coverage to cover all types of claims that may be asserted against the operators and airlines or the Fund. Such insufficient insurance coverage amounts or defaults by operators and airlines in fulfilling their indemnification or insurance obligations or the lack of third-party liability insurance may increase the loss amounts for which the operators and airlines or the Fund are ultimately liable.

The Investment Manager will typically require lessees to maintain those types of insurance customary and appropriate in the air transportation industry, including comprehensive liability insurance and aircraft hull insurance and, where relevant, to have such insurances re-insured in the London market. There can be no assurance that lessees' insurance will cover all types of claims that may be asserted against the Fund. Any inadequate insurance coverage, default by an insurer or default by lessees in fulfilling their indemnification or insurance obligations will negatively affect the proceeds that would be received by the Fund upon an event of loss under the respective leases or upon a claim under the relevant liability insurance.

Effect of Airworthiness Directives and Operating Restrictions. The maintenance and operation of aircraft and engines are strictly regulated in the United States by the Federal Aviation Administration, in Europe by the European Aviation Safety Agency and in other jurisdictions by similar governmental authorities. These rules and regulations govern such matters as certification, registration, inspection, operation and maintenance procedures, personnel certification and record keeping. In addition to the general aviation authority regulations and requirements regarding maintenance of the aircraft, aircraft may be subject to further maintenance or modification requirements imposed by airworthiness directives ("Airworthiness Directives") issued by aviation authorities and service bulletins issued by aircraft manufacturers ("Service Bulletins"). Airworthiness Directives and Service Bulletins typically set forth particular special maintenance actions or modifications to certain aircraft types or series of specific aircraft that must be implemented if the aircraft is to remain in service. Alternatively, the Airworthiness Directive may require the lessee to make more frequent inspections of the asset or particular parts. The costs of compliance with Airworthiness Directives and Service Bulletins, particularly those requiring replacement of limited life parts, can be substantial. Future regulatory changes may also increase the cost of operating and/or maintaining aircraft and engines, which may adversely affect their residual value and the profitability of the Fund, as can the failure of a lessee to comply with the maintenance provisions as set forth in the lease. The cost of compliance with such requirements may be significant.

Each lessee generally is responsible for complying with all or a substantial portion of Airworthiness Directives and Service Bulletins applicable to its aircraft and is required to maintain the aircraft's airworthiness. However, if a lessee fails to satisfy its obligations, or if the Fund has obligations as to contributions towards the cost of compliance with Airworthiness Directives (usually over a certain threshold as agreed in the lease) or to take other actions required to maintain its certificate of airworthiness or other manufacturer requirements in respect of an aircraft or if an aircraft is not subject to a lease, at the time such modifications are required, the Fund may have to bear the cost of such compliance.

In addition, most countries' aviation laws require aircraft to be maintained under an approved maintenance program having defined procedures and intervals for inspection, maintenance and repair. To the extent that the Fund's aircraft are off lease or a lessee defaults in effecting such compliance, the Fund will be required to comply with such requirements at its expense.

Requirement for Certain Licenses and Approvals. Some lease or sale transactions may require that the Fund and/or the lessee obtain licenses, consents or approvals from governmental or other regulatory authorities with respect to the importing, exporting and deregistration of aircraft. Subsequent changes in applicable law or administrative practice may increase such requirements. In addition, governmental consent, once given, might be withdrawn or expire without renewal. The Fund may have difficulty acquiring the licenses, consents or approvals needed in connection with aircraft leasing or sale. Any of these events could adversely affect the Fund's ability to lease or sell aircraft and could negatively affect the Fund's ability to make distributions to investors.

Registration of Aircraft. Appropriate registration of aircraft is an absolute requirement and is a material obligation of both the lessee and the holder of title of an aircraft and an indispensable precondition for operating the aircraft. If an aircraft were to be operated without valid registration, the lessee operator or, in some cases, the owner or lessor (such as the Fund) might be subject to penalties, which could constitute or result in a lien being placed on such aircraft. Lack of registration could also restrict the ability of the owner or lessee to operate the aircraft, negatively affect insurance premiums or cause the loss of insurance. The foregoing adverse effects could cause lessees to incur higher costs and to generate lower net revenues, resulting in an adverse impact on their financial conditions, affecting lessees' ability to make rental and other lease payments to the Fund.

Failure to Discharge Aircraft Liens Appropriately. In the normal course of business, liens that secure the payment of airport fees and taxes, custom duties, fuel liens, air navigation charges (including charges imposed by Eurocontrol), landing charges, crew wages, maintenance charges, salvage or other liens ("Aircraft Liens") are likely, depending on the jurisdiction, to attach to the aircraft (or, if applicable, to the engines separately). Aircraft Liens may secure substantial sums that may, in certain jurisdictions or for limited types of Aircraft Liens (particularly fleet liens), exceed the value of the particular aircraft to which the Aircraft Liens have attached. In some jurisdictions, Aircraft Liens may give the holder thereof the right to detain or, in limited cases, sell or cause the forfeiture of the aircraft (or, if applicable, to the engines separately). In some cases, it may be difficult to obtain "clear title" to the assets acquired (including all aircraft documentation) unless an expensive title search is undertaken prior to acquisition. Such Aircraft Liens or clouded title could, until discharged, impair the SPV's ability to repossess or sell aircraft. Although the financial obligations relating to these Aircraft Liens are the responsibilities of the lessees, if lessees fail to fulfill their obligations, Aircraft Liens may attach to the SPV's aircraft and ultimately become the SPV's, responsibility. In some jurisdictions, Aircraft Liens may give the holder thereof the right to detain or, in limited cases, sell or cause the forfeiture of the aircraft (or, if applicable, to the engines separately). Until they are discharged, the Aircraft Liens described above could impair the SPV's ability to repossess, re-lease, sell or otherwise dispose of the aircraft. The Fund cannot provide assurance that the lessees will comply with their obligations under the leases to discharge Aircraft Liens arising during the terms of the leases. In such cases, the SPV may find it necessary to pay the claims secured by such liens in order to repossess the aircraft or to obtain the aircraft or engines from a party holding a lien in respect thereof.

Operational and Fund Structure Risks

Non-Diversified Status Risk. Because the Fund is classified as "non-diversified" under the 1940 Act, it can invest a greater portion of its assets in obligations of a single issuer than a "diversified" fund. As a result, the Fund will be more susceptible than a diversified fund to fluctuations in the prices of securities of a single issuer.

Leverage Risk. The Fund's use of leverage creates the opportunity for increased net income to Shares, but also creates special risks for shareholders. Leverage is a speculative technique that may expose the Fund to greater risk and increased costs. If shorter-term interest rates rise relative to the rate of return on the Fund's portfolio, the interest and other costs to the Fund of leverage (including interest expenses on borrowings) could exceed the rate of return on the debt obligations and other investments held by the Fund, thereby reducing returns to shareholders. In addition, fees and expenses of any form of leverage used by the Fund will be borne entirely by the shareholders and will reduce the investment return of the Shares. Therefore, the Fund's use of leverage may result in losses. Leverage creates several major types of risks for shareholders, including:

- The likelihood of greater volatility of NAV of Shares, and of the investment return to shareholders, than a comparable portfolio without leverage;
- The possibility either that dividends will fall if the interest and other costs of leverage rise, or that dividends paid on Shares will fluctuate because such costs vary over time; and
- The effects of leverage in a declining market or a rising interest rate environment, as leverage is likely to cause a greater decline in the NAV of the Shares than if the Fund were not leveraged.
- If the costs of any leverage used by the Fund exceed the income from portfolio securities acquired through the use of such leverage, the Fund's NAV would decline. A decline in the Fund's NAV could affect the ability of the Fund to pay dividends or make distributions to shareholders. A failure by the Fund to distribute an adequate proportion of its net investment income in the form of dividends each taxable year would result in the Fund ceasing to qualify as a RIC under the Code. See "Tax Matters" below for additional information. Also, the counterparties to the Fund's leveraging transactions will have priority of payment over the Fund's shareholders.

Valuation Risk. A high portion of the securities in which the Fund invests will be less liquid, and more difficult to value than other types of securities, including due to unavailability or unreliability of third-party pricing. Investments for which market quotations are not readily available are valued at fair value as determined in good faith pursuant to Rule 2a-5 under the Act. See "How Fund Shares Are Priced." Fair value pricing may require subjective determinations about the value of a security or other asset. As a result, there can be no assurance that fair value pricing will result in adjustments to the prices of securities or other assets, or that fair value pricing will reflect actual market value, and it is possible that the fair value determined for a security or other asset will be materially different from quoted or published prices, from the prices used by others for the same security or other asset and/or from the value that actually could be or is realized upon the sale of that security or other asset.

Certain factors that may be considered in determining the fair value of the Fund's investments include dealer quotes for securities traded on the OTC secondary market for institutional investors, the nature and realizable value of any collateral, the portfolio company's earnings and its ability to make payments on its indebtedness, the markets in which the portfolio company does business, comparison to selected publicly traded companies, discounted cash flow and other relevant factors. The factors and methodologies used for the valuation of such securities are not necessarily an indication of the risks associated with investing in those securities nor can it be assured that the Fund can realize the fair value assigned to a security if it were to sell the security. Such valuations, and particularly valuations of private securities and private companies, are inherently uncertain, and they often reflect only periodic information received by the Investment Manager about such companies' financial condition and/or business operations, which may be on a lagged basis and can be based on estimates. Determinations of fair value may differ materially from the values that would have been used if an exchange-traded market for these securities existed. Investments in private companies are typically governed by privately negotiated credit agreements and covenants, and reporting requirements contained in the agreements may result in a delay in reporting their financial position to lenders, which in turn may result in the Fund's investments being valued on the basis of this reported information. The Investment Manager may not be able to acquire and/or evaluate properly such information on a daily basis. Due to these various factors, the Investment Manager's fair value determinations could cause the Fund's NAV on a valuation day to materially differ from what it would have been had such information been fully incorporated. As a result, investors who purchase Shares may receive more or less Shares and investors who tender their Shares may receive more or less cash proceeds than they otherwise would receive.

Liquidity Risk. Certain of the Fund's investments in Aviation-Backed Debt and Leased Assets may not be readily sold at the desired time or price, and may be sold at a lower price or may not have a sufficient market to be sold at all. Aviation-Backed Debt and Leased Assets are not generally traded on recognized exchange markets. Instead, they are typically traded by banks and other institutional investors participating in the loan markets, or between aircraft lessors, institutions and other aircraft owners in the case of leases. The liquidity of, and therefore the ability to sell, the Fund's investments in Aviation-Backed Debt and Leased Assets will therefore depend on the liquidity of these markets. Trading in loans is subject to delays as transfers may require extensive documentation, the payment of significant fees and the consent of the agent bank or underlying obligor. Trading aircraft leases is subject to novation procedures which vary in time depending on jurisdictions and engagement of relevant parties including lessees. In addition, certain leasing and loan investments may be subject to legal or contractual restrictions or requirements that limit the Fund's ability to transfer them or sell them for cash. As a result, the Fund's investments may be illiquid and there can be no assurance that the Fund will be able to realize investments at attractive prices or otherwise be able to effect a successful realization or

exit strategy. It may also not be possible to establish their current value at any particular time. The lack of liquidity in the Fund's asset portfolio may significantly impede the Fund's ability to respond to adverse changes in the performance of its assets and may adversely affect the value of an investment in the Fund.

Markets may become illiquid when, for instance, there are few, if any, interested buyers or sellers or when dealers are unwilling or unable to make a market for certain securities. The prices of such investments may experience significant volatility, make it more difficult for the Fund to transact significant amounts of such investments without an unfavorable impact on prevailing market prices. The nature of the Fund's investments in aircraft-backed loans and leased aircraft typically requires a long holding period prior to profitability. Illiquid and relatively less liquid investments may be harder to value. The risks associated with illiquid instruments may be particularly acute in situations in which the Fund's operations require cash (such as in connection with repurchase offers) and could result in the Fund borrowing to meet its short-term needs or incurring losses on the sale of illiquid instruments. See "Risks of the Fund —Repurchase Offer Risk." It may also be the case that other market participants may be attempting to liquidate fixed income holdings at the same time as the Fund, causing increased supply in the market and contributing to liquidity risk and downward pricing pressure. See "Risks of the Fund—Valuation Risk."

Distribution Rate Risk. The Fund's distribution rates may be affected by numerous factors, including but not limited to changes in realized and projected market returns, fluctuations in market interest rates, Fund performance, and other factors. There can be no assurance that a change in market conditions or other factors will not result in a change in the Fund's distribution rate or that the rate will be sustainable in the future. For instance, during periods of low or declining interest rates, the Fund's distributable income and dividend levels may decline for many reasons.

For example, the Fund may have to deploy uninvested assets (whether from sales of Shares, proceeds from matured, traded or called debt obligations or other sources) in new, lower yielding instruments. Additionally, payments from certain instruments that may be held by the Fund (such as variable and floating rate securities) may be negatively impacted by declining interest rates, which may also lead to a decline in the Fund's distributable income and dividend levels.

New Fund Risk. There can be no assurance that the Fund will grow to or maintain an economically viable size, in which case the Board may determine to liquidate the Fund. Liquidation of the Fund can be initiated without shareholder approval by the Board if it determines that liquidation is in the best interest of shareholders. As a result, the timing of the Fund's liquidation may not be favorable.

Management Risk. The skill of the Investment Manager plays a significant role in the Fund's ability to achieve its investment objective. The Fund's ability to achieve its investment objective depends on the ability of the Investment Manager to correctly identify economic trends, especially with regard to accurately forecasting inflationary and deflationary periods. The Fund's ability to achieve its investment objective depends on the ability of the Investment Manager to select securities, especially in volatile markets and the Investment Manager could be incorrect in its analysis of industries, companies, and the relative attractiveness of securities.

- The Investment Manager's Ability to Source Investments. A number of other entities will compete with the Fund to make investments of the type that the Fund intends to make, and the Investment Manager believes that competition for investments targeted by the Fund will increase over time. The Fund will compete with public and private funds, commercial and investment banks and aircraft leasing companies. Additionally, competition for investment opportunities generally has increased among alternative investment vehicles, such as hedge funds, including with respect to investments in which the Fund intends to invest. As a result of these new entrants, competition for investment opportunities has intensified, and the Investment Manager expects this trend to continue.

Many of the Fund's existing and potential competitors are substantially larger and have considerably greater financial, technical and marketing resources than those available to the Fund's Investment Manager. Some competitors, such as commercial banks, may have a lower cost of funds and access to funding sources that are not available to the Fund. In addition, some of the Fund's competitors may have higher risk tolerances or different risk assessments, which could allow them to consider a wider variety of investments and establish more relationships than the Fund. Accordingly, the Investment Manager may be unable to find a sufficient number of attractive opportunities to meet the Fund's investment objectives.

- **Models Risk.** The Investment Manager may use financial models to evaluate investment opportunities. The accuracy and effectiveness of such models cannot be guaranteed. In all cases, projections are only estimates of future results which are based upon assumptions made at the time that the projections are developed. Projections are inherently uncertain and subject to factors beyond the control of the Investment Manager and the investment in question. The inaccuracy of certain assumptions, the failure to satisfy certain financial requirements and the occurrence of unforeseen events could impair the ability of the Investment Manager to realize projected values and/or cash flow in respect of an investment. Therefore, there can be no assurance that the projected results will be obtained and actual results may vary significantly from the projections. General economic and industry-specific conditions, which are not predictable, can have also an adverse impact on the reliability of projections.

Federal Income Tax Risk. As discussed above, the Fund intends to elect to be taxed as a RIC and intends each year to qualify and be eligible to be treated as such, so that it generally will not be subject to U.S. federal income tax on its net investment income or net short-term or long-term capital gains that are distributed (or deemed distributed) to shareholders. To qualify for and maintain RIC tax treatment under Subchapter M of the Code, the Fund must, among other things, meet annual distribution, income source and quarterly asset diversification requirements. The Fund may have difficulty complying with these requirements. In particular, if the Fund is required to include amounts from its investments in income prior to receiving the cash distributions representing such income, the Fund may have to sell some of its investments at times and/or at prices it would not consider advantageous or forego new investment opportunities for this purpose. As a result, the Fund may have difficulty meeting the annual distribution requirement necessary to qualify for taxation as a RIC under Subchapter M of the Code. If the Fund is not able to obtain cash from other sources, the Fund may not qualify for or maintain RIC tax treatment and thus the Fund may become subject to corporate-level income tax. If the Fund does not qualify for and maintain the RIC tax treatment for any reason and is subject to corporate income tax, the resulting corporate taxes could substantially reduce the Fund's net assets, the amount of income available for distribution and the amount of distributions. In addition to potentially paying substantial taxes, we could also be required to recognize unrealized gains and make substantial distributions before re-qualifying as a RIC.

Cyber Security Risk. Investment companies, such as the Fund, and its service providers may be subject to operational and information security risks resulting from cyber-attacks. Cyber-attacks include, among other behaviors, stealing or corrupting data maintained online or digitally, denial of service attacks on websites, the unauthorized release of confidential information or various other forms of cyber security breaches. Cyber-attacks affecting the Fund or the Investment Manager, custodian, transfer agent, intermediaries and other third-party service providers may adversely impact the Fund. For instance, cyber-attacks may interfere with the processing of shareholder transactions, impact the Fund's ability to calculate its net asset value, cause the release of private shareholder information or confidential company information, impede trading, subject the Fund to regulatory fines or financial losses, and cause reputational damage. The Fund may also incur additional costs for cyber security risk management purposes. Similar types of cyber security risks are also present for issuers of securities in which the Fund invests, which could result in material adverse consequences for such issuers, and may cause the Fund's investment in such portfolio companies to lose value.

Regulatory Risks

OFAC and FCPA Considerations. Economic sanction laws in the United States and other jurisdictions may prohibit the Investment Manager and the Fund from transacting with or in certain countries, as well as with certain individuals and companies. In the United States, the U.S. Department of the Treasury's Office of Foreign Assets Control ("OFAC") administers and enforces laws, regulations and executive orders establishing U.S. economic and trade sanctions. Such sanctions prohibit, among other things, transactions with, and the provision of services to, certain foreign countries, territories, entities and individuals. These entities and individuals include specially designated nationals, specially designated narcotics traffickers and other parties subject to OFAC sanctions and embargo programs. In addition, certain programs administered by OFAC prohibit dealing with individuals or entities in certain countries regardless of whether such individuals or entities appear on the lists maintained by OFAC. These types of sanctions may restrict the Fund's investment activities.

In some countries, there is a greater acceptance than in the United States of government involvement in commercial activities and of corruption. The Investment Manager seeks to comply with the U.S. Foreign Corrupt Practices Act ("FCPA") and other anti-corruption laws, anti-bribery laws and regulations, as well as anti-boycott regulations, to which it is subject. As a result, the Fund may be adversely affected because of its unwillingness to

participate in transactions that violate such laws or regulations. Such laws and regulations may make it difficult in certain circumstances for the Fund to act successfully on investment opportunities and for investments to obtain or retain business.

In recent years, the U.S. Department of Justice and the SEC have devoted greater resources to enforcement of the FCPA. In addition, the United Kingdom has recently significantly expanded the reach of its anti-bribery laws. In spite of the Investment Manager's efforts to comply with FCPA, affiliates of an issuer, particularly in cases where the Fund does not control such issuer, could engage in activities that could result in FCPA violations. Any determination that the Fund or the Investment Manager has violated the FCPA or other applicable anti-corruption laws or anti-bribery laws could subject the Fund or the Investment Manager to, among other things, civil and criminal penalties, material fines, profit disgorgement, injunctions on future conduct, securities litigation and a general loss of investor confidence, any one of which could adversely affect the Fund's ability to achieve its investment objective.

Privacy and Data Security Laws. Many jurisdictions in which the Fund and its portfolio holdings operate have laws and regulations relating to data privacy, cyber security and protection of personal information, including the General Data Protection Regulation in the European Union that went into effect in May 2018 and the California Consumer Privacy Act ("CCPA") that took effect in January 2020 and provides for enhanced consumer protections for California residents, a private right of action for data breaches and statutory fines for data breaches or other CCPA violations. If the Fund or the Investment Manager fails to comply with the relevant laws and regulations, it could result in regulatory investigations and penalties, which could lead to negative publicity and may cause investors and clients to lose confidence in the effectiveness of the Fund's security measures.

Risks of Closed-End Interval Fund Structure

Shares Not Listed; No Market for Shares. The Fund has been organized as a closed-end management investment company. Closed-end funds differ from open-end management investment companies (commonly known as mutual funds) because investors in a closed-end fund do not have the right to redeem their shares on a daily basis. Unlike most closed-end funds, which typically list their shares on a securities exchange, the Fund does not currently intend to list the Shares for trading on any securities exchange, and the Fund does not expect any secondary market to develop for the Shares in the foreseeable future. Therefore, an investment in the Fund, unlike an investment in exchange-traded closed-end funds, is not a liquid investment.

Repurchase Offer Risk. Repurchase offers and the need to fund repurchase obligations may affect the ability of the Fund to be fully invested or force the Fund to maintain a higher percentage of its assets in liquid investments, which may harm the Fund's investment performance. Moreover, diminution in the size of the Fund through repurchases may result in untimely sales of portfolio securities (with associated imputed transaction costs, which may be significant), and may limit the ability of the Fund to participate in new investment opportunities or to achieve its investment objective. The Fund may accumulate cash by holding back (i.e., not reinvesting) payments received in connection with the Fund's investments. If at any time cash and other liquid assets held by the Fund are not sufficient to meet the Fund's repurchase obligations, the Fund intends, if necessary, to sell investments. To the extent the Fund employs investment leverage, repurchases of Shares would compound the adverse effects of leverage in a declining market. In addition, if the Fund borrows to finance repurchases, interest on that borrowing will negatively affect shareholders who do not tender their Shares by increasing the Fund's expenses and reducing any net investment income. If a repurchase offer is oversubscribed, the Fund may, but is not required to, determine to increase the amount repurchased by up to 2% of the Fund's outstanding Shares as of the date of the Repurchase Request Deadline. In the event that the Fund determines not to repurchase more than the repurchase offer amount, or if shareholders tender more than the repurchase offer amount plus 2% of the Fund's outstanding Shares as of the date of the Repurchase Request Deadline, the Fund will repurchase the Shares tendered on a pro rata basis, and shareholders will have to wait until the next repurchase offer to make another repurchase request. As a result, shareholders may be unable to liquidate all, or a given percentage of, their investment in the Fund during a particular repurchase offer. Some shareholders, in anticipation of proration, may tender more Shares than they wish to have repurchased in a particular quarter, thereby increasing the likelihood that proration will occur. A shareholder may be subject to market and other risks, and the NAV of Shares tendered in a repurchase offer may decline between the Repurchase Request Deadline and the date on which the NAV for tendered Shares is determined. The Fund may charge an Early Repurchase Fee, which is equal to up to 2% of the net asset value of Shares that are repurchased to the extent that the repurchased Shares were held by the shareholder for less than one year on a first-in, first-out basis. In addition, the repurchase of Shares by the Fund may be a taxable event to shareholders.

Investment Dilution Risk. The Fund's investors do not have preemptive rights to any Shares the Fund may issue in the future. The Fund's Agreement and Declaration of Trust (the "Declaration of Trust") authorizes it to issue an unlimited number of Shares. The Board may make certain amendments to the Declaration of Trust. After an investor purchases Shares, the Fund may sell additional Shares in the future or issue equity interests in private offerings. To the extent the Fund issues additional equity interests after an investor purchases its Shares, such investor's percentage ownership interest in the Fund will be diluted.

Large Shareholder Risk. To the extent a large proportion of Shares are held by a small number of shareholders (or a single shareholder), including affiliates of the Investment Manager, the Fund is subject to the risk that these shareholders will seek to sell Shares in large amounts rapidly in connection with repurchase offers. These transactions could adversely affect the ability of the Fund to conduct its investment program. Furthermore, it is possible that in response to a repurchase offer, the total amount of Shares tendered by a small number of shareholders (or a single shareholder) may exceed the number of Shares that the Fund has offered to repurchase. If a repurchase offer is oversubscribed by shareholders, the Fund will repurchase only a pro rata portion of shares tendered by each shareholder. However, the Fund may determine to increase the repurchase offer by up to 2% of the Fund's outstanding Shares as of the date of the Repurchase Request Deadline. If the Fund repurchases only a pro rata portion of shares tendered in connection with an oversubscribed repurchase offer, shareholders unaffiliated with the Investment Manager will not be given priority over shareholders that are affiliates of the Investment Manager, whose holdings in the Fund may be significant and may have the effect of diluting third-party shareholders with respect to any repurchase offer.

MANAGEMENT OF THE FUND

Trustees and Officers

The business of the Fund is managed under the direction of the Fund's Board, including oversight of the duties performed by the Investment Manager. The Board is currently composed of four trustees (the "Trustees"), all of whom are not "interested persons" of the Fund (as that term is defined by Section 2(a)(19) of the 1940 Act). The Trustees meet periodically throughout the year to discuss and consider matters concerning the Fund and to oversee the Fund's activities, including its investment performance, compliance program and risks associated with its activities. The names and business addresses of the Trustees and officers of the Fund and their principal occupations and other affiliations during the past five years are set forth under "Management of the Fund" in the SAI.

Investment Manager

Muzinich, a Delaware corporation, serves as investment manager to the Fund. Subject to the oversight of the Board, Muzinich is responsible for managing the investment activities of the Fund. Joseph Galzerano, Thomas Light, Torben Ronberg, and Alok Wadhawan are responsible for the day-to-day management of the Fund.

Muzinich, located at 450 Park Avenue, New York, New York 10022, is an SEC-registered investment advisory firm formed in 1988. In addition to the Fund, Muzinich currently provides investment advisory services to various onshore and offshore investment funds and separately managed accounts. Muzinich is controlled by George M. Muzinich, Executive Chairman, Director and Shareholder.

Muzinich also owns Muzinich & Co. Leasing (Ireland) Limited, an Irish company which provides lease and loan management services and collateral management for both aircraft leasing and loan transactions. Fees for these services are typically paid as an expense of the SPV which owns the Leased Aircraft Assets.

As of April 30, 2026, Muzinich had approximately \$43.4 billion in assets under management.

Investment Management Agreement

Pursuant to an investment management agreement between the Investment Manager and the Fund (the "Investment Management Agreement"), the Fund has agreed to pay the Investment Manager an annual fee, accrued daily and payable monthly, in an amount equal to 1.20% of the Fund's "Managed Assets." "Managed Assets" under the Investment Management Agreement means the total value of all assets of the Fund (including any assets attributable to any leverage that is outstanding), less the amount equal to all accrued debts, liabilities and obligations of the Fund (excluding debts, liabilities and obligations representing financial leverage and the aggregate liquidation preference of any outstanding preferred shares). The value of the Fund's assets for this purpose shall be computed in accordance with the Fund's policies and procedures for calculating its NAV.

Because the management fee received by the Investment Manager is based on the average daily Managed Assets of the Fund, which includes total assets of the Fund (including assets attributable to leverage), the Investment Manager has a financial incentive for the Fund to utilize borrowings and other financings or to issue preferred shares, which may create a conflict of interest between the Investment Manager, on the one hand, and Fund, on the other hand.

The Investment Management Agreement became effective upon the commencement of the Investment Manager's management of the continuous investment program for the Fund and will continue in effect for an initial two-year term. Thereafter, the Investment Management Agreement continues in effect from year to year provided such continuance is specifically approved at least annually by (i) the vote of a majority of the outstanding voting securities of the Fund or a majority of the Board and (ii) the vote of a majority of the Trustees of the Fund who are not "interested persons" of the Fund (as that term is defined by Section 2(a)(19) of the 1940 Act) (the "Independent Trustees"), as required under the 1940 Act or any exemptive order issued by, or guidance, interpretation or position of the staff of the SEC. A discussion regarding the basis for the Board's approval of the Investment Management Agreement will be available in the Fund's first report to shareholders.

Expense Limitation Agreement

The Investment Manager has contractually agreed, through September 1, 2027, to waive fees that it would otherwise have been paid, and/or to assume expenses of the Fund if required to ensure the total annual operating expenses of the Fund (excluding any taxes; fees and interest payments on borrowed funds; fees and expenses, including dividend and interest expenses, associated with the issuance of preferred shares; brokerage commissions and transactional and other investment-related costs and expenses; distribution and shareholder servicing fees (whether paid pursuant to a Rule 12b-1 plan or otherwise); acquired fund fees and expenses (as determined in accordance with SEC Form N-2); dividend expenses on short sales; expenditures which are capitalized in accordance with generally accepted accounting principles (GAAP); and extraordinary or nonroutine expenses, such as expenses incurred in connection with any merger or reorganization with, or the acquisition of all or substantially all of the assets of, another fund, redomiciling the Fund, litigation, potential litigation and indemnification expenses and expenses incurred in the initial registration and offering of Fund shares) do not exceed 2.00% of the Fund's average daily net assets (the "Expense Limitation Agreement").

Under the Expense Limitation Agreement, in any month in which the Investment Management Agreement is in effect, the Investment Manager may recoup from the Fund amounts previously waived or assumed during the previous three years from the date of the waiver or assumption; provided that each share class shall remain in compliance with the waiver in place at the time of the waiver and at the time of recoupment.

Portfolio Managers

The following individuals share primary responsibility for managing the Fund and have served as portfolio managers since the inception of the Fund.

Joseph Galzerano, Portfolio Manager. Mr. Galzerano is a Portfolio Manager for Muzinich focusing on U.S. high yield. Before joining Muzinich in 2010, he previously worked at Babson Capital Management where he was Managing Director and Senior Investment Analyst. Prior to that, he held Senior Analyst positions in high yield research at CIBC World Markets and Citicorp Securities. Mr. Galzerano earned a B.A., Epsilon Sigma Pi, cum laude, from Manhattan College, and an M.B.A. in Corporate Finance from Fordham University where he finished his degree with honor designations Phi Kappa Phi and Beta Gamma Sigma. He was formally credit trained at the Citicorp Global Institute of Finance and is a Certified Public Accountant. Mr. Galzerano has achieved the CFA Institute Certificate in ESG Investing.

Thomas Light, Portfolio Manager. Mr. Light joined an affiliate of Muzinich in February 2020 as a Portfolio Manager. Previously Mr. Light was with Investec Bank plc, where he was a Fund Executive responsible for the establishment and day-to-day management of leasing activities as well as investor relations. Mr. Light has overseen the exit of two aircraft leasing funds, including the purchase and sale of over 100 aircraft. He has extensive relationships with global airlines and leasing companies and has originated aircraft leases from both of these sources. He is also responsible for the origination of loans to airlines and aircraft lessors and has relationships with global banks and financial institutions. In addition to origination, Mr. Light has experience in management of assets having worked on restructurings, repossessions and workouts globally. Mr. Light earned a Masters of Science in Economics from the University of Nottingham.

Torben Ronberg, Portfolio Manager. Mr. Ronberg joined an affiliate of Muzinich in 2016. He became a Portfolio Manager in 2016, focusing on syndicated loans. Prior to joining Muzinich, Mr. Ronberg was with ECM Asset Management Limited, a Wells Fargo company, where he was Head of Sub-Investment Grade responsible for overseeing all loan and high yield investments in asset class-specific portfolios, as well as across ECM's multi-asset class portfolios. Previously, he was at Danske Bank Group in Copenhagen and London. Mr. Ronberg holds an Executive M.B.A. from London Business School.

Alok Wadhawan, Portfolio Manager. Mr. Wadhawan joined an affiliate of Muzinich in February 2020 and is the Global Head of Aviation Finance. He has over 20 years of experience in structured finance and prior to joining Muzinich was head of aviation finance at Investec, a FTSE 250 investment bank. Mr. Wadhawan worked for nearly 14 years in Investec and was one of the founding members of the aviation finance business. He was instrumental in building their aviation finance fund platform and also established aviation debt funds for institutional investors. Mr. Wadhawan has extensive industry relationships across financial institutions, leasing companies, manufacturers and airlines and is a regular speaker at aviation conferences. He earned a Bachelor of Commerce (Honors) from Calcutta University and is a qualified Chartered Accountant, MBA (Finance) from India.

Affiliated Loan Products and Services

Muzinich, and/or certain Muzinich affiliates are engaged in the loan origination, securitization and loan servicing businesses. An affiliate of Muzinich provides lease and debt servicing to SPVs in which Muzinich clients invest. Such services include, without limitation, providing assistance with respect to sourcing and procurement of Leased Aircraft Assets; providing assistance with respect to all aspects of documentation and closing with respect to Leased Aircraft Assets; advising on risks with respect to Leased Aircraft Assets; providing assistance with respect to valuation and pricing; providing assistance with respect to the maintenance, storage and other requirements relating to the Leased Aircraft Assets; and providing protection services (including, without limitation, in cases of repossession, acceleration and/or security enforcement of Leased Aircraft Assets) in the event of a default. The Fund may invest in SPVs for which Muzinich affiliates provide loan and lease services. Such loan and lease servicing fees or compensation received by Muzinich affiliates from SPVs in which the Fund or its Subsidiaries invest may—where permissible under the 1940 Act and within any co-investment relief granted in relation to investments held by the Fund—be retained by, and be for the benefit of, such related-party loan servicing business or any of its affiliates or employees, as applicable, in each case, in accordance with the fee arrangements set forth in an agreement with the SPV.

The Investment Manager or its affiliates may act as collateral manager with respect to certain SPVs in which the Fund may invest. Collateral manager services are separate and distinct from the investment advisory services provided under the Investment Management Agreement with the Fund and are provided pursuant to contractual agreements with the SPV. Such collateral manager fees or compensation received by Muzinich or its affiliates from SPVs in which the Fund or its Subsidiaries invest may be retained by, and be for the benefit of, Muzinich or such affiliates, or any of their respective affiliates or employees, as applicable, in each case, in accordance with the fee arrangements set forth in an agreement with the SPV unless prohibited by applicable law or exemptive order.

Other advisory clients of the Investment Manager or its affiliates may be issued interests in such securitization vehicles or co-invest with the Fund in such vehicles. Subject to the terms of any co-investing relief on which the Fund and Investment Manager intend to rely, it is expected that Muzinich or its affiliates may retain the foregoing fees and compensation with respect to other parties, including other Muzinich clients that invest in such SPVs and to the extent not prohibited by law or by such exemptive relief, may retain such fees and expenses attributable to the Fund.

Control Persons

A control person is a person who owns, either directly or indirectly, beneficially more than 25% of the voting securities of a company. As of the date of this Prospectus, the Investment Manager owned all of the shares of the Fund.

Additional Information

Neither this Prospectus, the SAI, any contracts filed as exhibits to the Fund's registration statement, nor any other communications or disclosure documents from or on behalf of the Fund creates a contract between a shareholder of the Fund and the Fund, a service provider to the Fund, and/or the trustees or officers of the Fund. The Fund may amend this Prospectus, the SAI, and any other contracts to which the Fund is a party, and interpret the investment objective, policies, restrictions and contractual provisions applicable to the Fund without shareholder input or approval, except in

circumstances in which shareholder approval is specifically required by law (such changes to fundamental investment policies) or where a shareholder approval requirement is specifically disclosed in this Prospectus or the SAI.

THE DISTRIBUTOR AND THE DISTRIBUTION AND SHAREHOLDER SERVICING PLAN

Quasar Distributors, LLC a wholly owned subsidiary of Foreside Financial Group, LLC (dba ACA Group) (the “Distributor”) is the principal underwriter and distributor of the Shares pursuant to a distribution agreement (the “Distribution Agreement”) with the Fund. The Distributor, located at 190 Middle Street, Suite 301, Portland, Maine 04101, is a broker-dealer registered with the SEC and is a member of the Financial Industry Regulatory Authority.

The Distributor acts as the distributor of Shares for the Fund on a best-efforts basis (meaning the Distributor shall use commercially reasonable efforts to distribute the Shares), subject to various conditions, pursuant to the terms of the Distribution Agreement. The Distributor is not obligated to sell any specific amount of Shares of the Fund.

Shares of the Fund are continuously offered through the Distributor. As discussed below, the Fund may authorize one or more intermediaries (e.g., broker-dealers and other financial firms) to receive orders on its behalf. Shares will be offered at NAV per share (plus any applicable sales charge) calculated each regular business day. See “How Fund Shares Are Priced” below.

The Fund and the Distributor each reserves the right, in its sole discretion, to suspend the offering of Shares or to reject any purchase order, in whole or in part, when, in the judgment of management, such suspension or rejection is in the best interests of the Fund or for other reasons such as compliance with anti-money laundering or sanctions obligations and requirements.

The Fund generally does not offer or sell Shares outside of the United States, except to certain investors in approved jurisdictions and in conformity with local legal requirements.

Shares are not listed for trading on any securities exchange. There is currently no secondary market for the Shares and the Fund does not anticipate that a secondary market will develop for its Shares. Investors should consider Shares of the Fund to be an illiquid investment. Neither the Investment Manager nor the Distributor intends to make a market in the Shares.

The Distribution Agreement became effective upon the Distributor’s commencement of services as the principal underwriter of the Fund for the distribution of Shares of the Fund and will continue in effect for an initial two-year term. Thereafter, the Distribution Agreement continues in effect from year to year provided such continuance is specifically approved at least annually by (i) the vote of a majority of the outstanding voting securities of the Fund or a majority of the Board and (ii) the vote of a majority of the Independent Trustees of the Fund, cast in person at a meeting called for the purpose of voting on such approval.

The Fund has agreed to indemnify the Distributor and certain of the Distributor’s affiliates against certain liabilities, including certain liabilities arising under the 1933 Act. To the extent consistent with applicable law, the Distributor has agreed to indemnify the Fund and each Trustee against certain liabilities, including certain liabilities under the 1933 Act and in connection with the services rendered to the Fund.

Share Classes

The Fund has received an exemptive order from the SEC that permits the Fund to offer more than one class of Shares and to impose distribution and shareholder servicing fees and early repurchase fees. The Fund has adopted a multiple class plan pursuant to Rule 18f-3 under the Act. Although the Fund is not an open-end investment company, it will undertake to comply with the terms of Rule 18f-3 as a condition of the exemptive relief. Under the multiple class plan, shares of each class of the Fund represent an equal pro rata interest in the Fund and, generally, have identical voting, dividend, liquidation, and other rights, preferences, powers, restrictions, limitations, qualifications and terms and conditions, except that: (a) each class has a different designation; (b) each class of shares bears any class-specific expenses; and (c) each class shall have separate voting rights on any matter submitted to shareholders in which the interests of one class differ from the interests of any other class, and shall have exclusive voting rights on any matter submitted to shareholders that relates solely to that class.

The Offering

The Fund will continuously offer Supra Institutional Class Shares, Institutional Class Shares, and Investor Class Shares. Shares will be sold at a public offering price equal to their net asset value (“NAV”) per share, plus any applicable sales charge. The Fund is offering on a continuous basis an unlimited number of common shares of beneficial interest. Institutional Class Shares are currently being offered, and Supra Institutional Class and Investor Class Shares are available for future sale. The Fund may offer additional classes of Shares in the future.

Supra Institutional Class Shares: The minimum initial investment is \$500,000 per account. There is no minimum subsequent investment amount.

Institutional Class Shares: The minimum initial investment is \$100,000 per account. There is no minimum subsequent investment amount

Investor Class Shares: The minimum initial investment is \$2,500 per account. The minimum subsequent amount of investment is \$500.

Distribution and Servicing Plan

The Fund has adopted a plan pursuant to Rule 12b-1 for the Fund’s Institutional Class Shares and Investor Class Shares that would allow the Fund to pay fees for the sale, distribution and servicing of its Institutional Class Shares and Investor Class Shares (the “Distribution and Service Plan”). The Distribution and Service Plan provides for a distribution and shareholder servicing fee of up to 0.75% of the Investor Class Shares’ average daily net assets (0.25% is characterized as a “shareholder service fee” and the remaining portion is characterized as a “distribution fee”) and up to 0.25% of the Institutional Class Shares’ average daily net assets. Because these fees are paid out over the life of the Fund’s Institutional Class Shares and Investor Class Shares, over time, these fees (to the extent they are accrued and paid) would increase the cost of your investment and may cost you more than paying other types of sales charges. Supra Institutional Class Shares of the Fund are not subject to the distribution and shareholder servicing fee.

The Fund has policies and procedures in place for the monitoring of payments to broker-dealers and other financial intermediaries for distribution-related and non-distribution activities such as sub-transfer agent, administrative, and other shareholder servicing services.

Additional Payments to Dealers

If you purchase Shares of the Fund through a broker-dealer or other financial intermediary (such as a bank), the Fund and its related companies may pay the intermediary for the sale of Fund Shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the Fund over another investment. Supra Institutional Class Shares may also be available on brokerage platforms of firms that have agreements with the Fund’s Distributor to offer such Shares solely when acting as an agent for the investor. An investor transacting in these programs may be required to pay a commission and/or other forms of compensation to the broker. Ask your salesperson or visit your financial intermediary’s website for more information.

Service Fees – Other Payments to Third Parties

The Investment Manager, out of its own resources, and without additional cost to the Fund or its shareholders, may provide additional cash payments or noncash compensation to intermediaries who sell Shares. Such payments and compensation are in addition to Rule 12b-1 distribution and shareholder servicing fees paid by the Fund. These additional cash payments are generally made to intermediaries that provide shareholder servicing, marketing support and/or access to sales meetings, sales representatives and management representatives of the intermediary. Cash compensation may also be paid to intermediaries for inclusion of the Fund on a sales list, in other sales programs or as an expense reimbursement in cases where the intermediary provides shareholder services to the Fund’s shareholders. The Investment Manager may also pay cash compensation in the form of finder’s fees that vary depending on the dollar amount of the Shares sold.

PURCHASING SHARES

The following section provides basic information about how to purchase Shares of the Fund. The Fund typically does not offer or sell its shares to non-U.S. residents. For purposes of this policy, a U.S. resident is defined as an account with (i) a U.S. address of record and (ii) all account owners residing in the U.S. at the time of sale.

The Fund and the Distributor each reserves the right, in its sole discretion, to suspend the offering of Shares or to reject any purchase order, in whole or in part, when, in the judgment of management, such suspension or rejection is in the best interests of the Fund or for other reasons such as compliance with anti-money laundering or sanctions obligations and requirements.

In the interest of economy and convenience, certificates for Shares will not be issued.

Supra Institutional Class, Institutional Class, and Investor Class Shares. Eligible investors may purchase Supra Institutional Class, Institutional Class, and Investor Class Shares in the following ways:

Through your broker-dealer or other financial firm. Shares may be offered through certain financial firms that charge their customers transaction or other fees with respect to their customers' investments in the Fund. Your broker-dealer or other financial firm may establish higher or lower minimum investment requirements than the Fund and may also independently charge you transaction or other fees and additional amounts (which may vary) in return for its services, which will reduce your return. Shares you purchase through your broker-dealer or other financial firm will normally be held in your account with that firm. If you purchase Shares through a broker-dealer or other financial firm, instructions for buying, selling, exchanging or transferring Shares must be submitted by your financial firm or broker-dealer on your behalf.

Through the Distributor. You should discuss your investment with your financial advisor before you make a purchase to be sure the Fund is appropriate for you. Individual investors who meet the minimum investment amount and wish to invest directly in Shares may obtain an Account Application online at www.MuzinichUSFunds.com or by calling 800-434-7317.

The completed Account Application may be submitted using the following methods:

Overnight Mail:

Muzinich Aviation Income Fund (mAIR)
c/o U.S. Bank Global Fund Services
801 Pennsylvania Avenue, Suite 219252
Kansas City, Missouri 64105-1307

Regular Mail:

Muzinich Aviation Income Fund (mAIR)
c/o U.S. Bank Global Fund Services
P.O. Box 219252
Kansas City, Missouri 64121-9252

For inquiries, please call 800-434-7317.

Payment for the purchase of Shares may be made by check payable to Muzinich Aviation Income Fund (mAIR) and sent to the Regular Mail address above; or by wiring federal funds to:

Muzinich Aviation Income Fund (mAIR)
Attn: U.S. Bancorp Fund Services, LLC
ABA #075000022
Account #112-952-137
Account Name: U.S. Bancorp Fund Services, LLC; Muzinich Aviation Income Fund (mAIR)
FBO: (Insert Investor Name)
Further Credit:
 Further Credit to Muzinich Aviation Income Fund (mAIR)
 (Insert Investor Account Number)
 (Name or Account Registration)
 (Reference Number)

All checks must be in U.S. Dollars drawn on a domestic bank. The Fund will not accept payment in cash or money orders. The Fund does not accept post dated checks or any conditional order or payment. To prevent check fraud, the Fund will not accept third party checks, Treasury checks, credit card checks, traveler's checks or starter checks for the purchase of shares. The transfer agent will charge a \$25 fee against a shareholder's account, in addition to any loss

sustained by the Fund, for any payment that is returned. It is the policy of the Fund not to accept applications under certain circumstances or in amounts considered disadvantageous to shareholders. The Fund reserves the right to reject any application.

Before wiring federal funds, the investor must provide order instructions to the transfer agent by calling 800-434-7317. In order to receive the current day's NAV, order instructions must be received in good order prior to the close of regular trading on the New York Stock Exchange ("NYSE") (ordinarily 4:00 p.m., Eastern time) ("NYSE Close"). Instructions must include the name and signature of an appropriate person designated on the Account Application ("Authorized Person"), account name, account number, name of the Fund and dollar amount. Payments received without order instructions could result in a processing delay or a return of wire. Failure to send the accompanying payment on the same day may result in the cancellation of the order.

An investor may place a purchase order for Shares without first wiring federal funds if the purchase amount is to be derived from an advisory account managed by the Investment Manager or one of its affiliates, or from an account with a broker-dealer or other financial firm that has established a processing relationship with the Fund on behalf of its customers.

Automatic Investment Plan

For your convenience, the Fund offers an Automatic Investment Plan ("AIP"). Under the AIP, after your initial investment, you may authorize the Fund to automatically withdraw any amount of at least \$100 that you wish to invest in the Fund, on a monthly or quarterly basis, from your personal checking or savings account. In order to participate in the AIP, your bank must be a member of the ACH network. If you wish to enroll in the AIP, the appropriate section in the Account Application must be completed. The Fund may terminate or modify this privilege at any time. You may terminate your participation in the AIP at any time by notifying the Transfer Agent five days prior to the next scheduled investment. A fee will be charged if your bank does not honor the AIP draft for any reason.

Investment Minimums

For Supra Institutional Class Shares, the minimum initial investment is \$500,000 per account. There is no minimum subsequent investment amount. For Institutional Class Shares, the minimum initial investment is \$100,000 per account. There is no minimum subsequent investment amount. For Investor Class Shares, the minimum initial investment is \$2,500 per account. The minimum subsequent amount of investment is \$500.

Sales Charge

The Shares are not subject to sales charges.

Exchanging Shares

To the extent that an investor becomes eligible for another share class, the shares of each class are exchangeable for each other class.

Signature Validation

Signature Validation

Signature guarantees will generally be accepted from domestic banks, brokers, dealers, credit unions, national securities exchanges, registered securities associations, clearing agencies and savings associations, as well as from participants in the New York Stock Exchange Medallion Signature Program and the Securities Transfer Agents Medallion Program ("STAMP"). A notary public is not an acceptable signature guarantor.

A signature guarantee, from either a Medallion program member or a non-Medallion program member, is required in the following situations:

- If ownership is being changed on your account;
- When redemption proceeds are payable or sent to any person, address or bank account not on record;
- When a redemption request is received by the transfer agent and the account address has changed within the last 15 calendar days.

The Fund may waive any of the above requirements in certain instances. In addition to the situations described above, the Fund(s) and/or the Transfer Agent reserve the right to require a signature guarantee in other instances based on the circumstances relative to the particular situation. Non-financial transactions, including establishing or modifying certain services on an account, may require a signature guarantee, signature verification from a Signature Validation Program member, or other acceptable form of authentication from a financial institution source.

Acceptance and Timing of Purchase Orders

Shares may be purchased at a price equal to their NAV per share, plus any applicable sales charge, next determined after receipt of an order. Under normal circumstances, all purchase orders received by the Fund or its designee prior to the NYSE Close on a regular business day are processed at that day's offering price. An order received after the NYSE Close will be effected at the offering price determined on the next business day. However, orders received by the Fund or its designee after the offering price is determined that day from financial firms or certain retirement plans will receive such offering price if the orders were received by the financial firm or retirement plan from its customer or participant prior to such offering price determination and were transmitted to and received by the Fund or its designee prior to such time as agreed upon in accordance with an agreement or as allowed by applicable law. Purchase orders will be accepted only on days on which the Fund is open for business. The Fund is "open for business" on each day the NYSE is open for trading, which excludes the following holidays: New Year's Day, Martin Luther King, Jr. Day, Presidents' Day, Good Friday, Memorial Day, Juneteenth National Independence Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. On any day that regular trading on the NYSE closes earlier than scheduled, the Fund reserves the right to: (i) advance the time as of which the NAV is calculated and, therefore, the time by which purchase orders must be received to receive that day's NAV or (ii) accept purchase orders until, and calculate its NAV as of, the normally scheduled NYSE Close. On any day that the NYSE is closed when it would normally be open for business, the Fund may accept purchase orders until, and calculate its NAV as of, the normally scheduled close of regular trading on the NYSE or such other time that the Fund may determine.

The Fund reserves the right to close if the primary trading markets of the Fund's portfolio instruments are closed and the Fund's management believes that there is not an adequate market to meet purchase requests. On any business day when the Securities Industry and Financial Markets Association recommends that the securities markets close trading early, the Fund may close trading early. Purchase orders will be accepted only on days on which the Fund is open for business.

Broker-dealers and other financial firms are obligated to transmit purchase orders promptly. The Fund and the Distributor each reserves the right, in its sole discretion, to suspend the offering of Shares or to reject any purchase order, in whole or in part, when, in the judgment of management, such suspension or rejection is in the best interests of the Fund or for other reasons such as compliance with anti-money laundering or sanctions obligations and requirements. The sale of Shares may be suspended during any period in which the NYSE is closed other than weekends or holidays, or if permitted by the rules of the SEC, when trading on the NYSE is restricted or during an emergency which makes it impracticable for the Fund to dispose of its securities or to determine fairly the value of its net assets, or during any other period as permitted by the SEC for the protection of investors.

Householding

In an effort to decrease costs, the Fund will reduce the number of duplicate Prospectuses and other similar documents that you receive by sending only one copy of each to those addresses shown by two or more accounts. Please call the Transfer Agent toll free at 800-434-7317 to request individual copies of these documents. The Fund will begin sending individual copies 30 days after receiving your request. This policy does not apply to account statements.

INFORMATION REGARDING STATE ESCHEATMENT LAWS

It is important that the Fund maintain a correct address for each direct shareholder. An incorrect address may cause a direct shareholder's account statements and other mailings to be returned to the Fund. Closed-end fund accounts can be considered abandoned property. States increasingly are looking at inactive closed-end fund accounts as possible abandoned or unclaimed property. Under certain circumstances, the Fund (or the broker or custodian of record having beneficial owner information) may be legally obligated to escheat (or transfer) an investor's account to the appropriate state's unclaimed property administrator. The Fund will not be liable to investors or their representatives for good-faith compliance with state unclaimed or abandoned property (escheatment) laws.

Escheatment laws vary by state, and states have different criteria for defining inactivity and abandoned property. Generally, a closed-end account may be subject to “escheatment” (i.e., considered to be abandoned or unclaimed property) if the account owner has not initiated any activity in the account or contacted the Fund for an “inactivity period” as specified in applicable state laws. Typically, an investor’s last known address of record determines the state that has jurisdiction. The process described above, and the application of state escheatment laws, may vary depending on how shareholders hold their shares in the Fund. If your shares are held directly with the Fund, please proactively contact the Fund’s transfer agent at 800-434-7317 at least annually to ensure your account remains in active status. Alternatively, if your shares are held through a financial institution, please work with your financial institution directly to check your account status.

VERIFICATION OF IDENTITY AND COMPLIANCE WITH ECONOMIC SANCTIONS AND ANTI-MONEY LAUNDERING LAWS

To help the federal government combat the funding of terrorism and money laundering activities, federal law generally requires all financial institutions to obtain, verify and record information that identifies each person (and natural person beneficial owners, if applicable) that opens a new account, and to determine whether such person’s (or natural person beneficial owner’s) name appears on government lists of known or suspected terrorists and terrorist organizations. As a result, unless there is an applicable exception or exemption, the Fund must obtain the following information for each person (or natural person beneficial owner, if applicable) that opens a new account:

- Name;
- Date of birth (for individuals);
- Residential or business street address; and
- Social Security number, taxpayer identification number, or other identifying number.

Individuals may also be asked for a copy of their driver’s license, passport or other identifying document in order to verify their identity. In addition, it may be necessary to verify an individual’s identity by cross-referencing the identification information with a consumer report or other electronic database. Additional information may be required to open accounts for corporations and other entities, and the Fund or its affiliates or agents may request information about the investor’s source of funds and source of wealth before permitting investment in the Fund.

After an account is opened, the Fund may restrict your ability to purchase additional Shares until your identity is verified and all other requested information is provided to the Fund’s satisfaction. The Fund also may close or freeze your account and redeem your shares or take other appropriate action if it is unable to verify your identity or obtain other requested information within a reasonable time at any point in the lifecycle of the account.

The Fund and its affiliates are subject to various anti-money laundering laws in addition to those set forth above, as well as laws that restrict them from dealing with entities, individuals, organizations and/or investments that are subject to applicable sanctions regimes. Each investor acknowledges that (i) if the Fund or its affiliates or agents reasonably believes that such investor (or any of its underlying beneficial owners) is the subject or target of relevant economic or trade sanctions programs or has used proceeds of crime to fund their investment, (ii) if the investor fails to provide information to the Fund or its affiliates or agents for purposes of assessing the Fund’s compliance with economic or trade sanctions or anti-money laundering laws, or (iii) if otherwise required by applicable law or regulation, the Fund or its affiliates or agents may, in their sole discretion, undertake appropriate actions to ensure compliance with applicable law or regulations, including but not limited to freezing, segregating or redeeming such investor’s subscription in the Fund and/or making disclosures to appropriate regulators. In this event, the affected investor shall have no claim against the Fund or any of its affiliates or agents, for any form of damages that result from any such actions.

PERIODIC REPURCHASE OFFERS

The Fund is a closed-end interval fund and, to provide liquidity and the ability to receive NAV on a disposition of at least a portion of your Shares, will make periodic offers to repurchase Shares. No shareholder will have the right to require the Fund to repurchase its Shares, except as permitted by the Fund’s interval structure. No public market for the Shares exists, and none is expected to develop in the future. Consequently, shareholders generally will not be able to liquidate their investment other than as a result of repurchases of their Shares by the Fund, and then only on a limited basis.

The Fund has adopted, pursuant to Rule 23c-3 under the Act, a fundamental policy, which cannot be changed without shareholder approval, requiring the Fund to offer to repurchase at least 5% and up to 25% of its Shares at NAV on a regular schedule. Although the policy permits repurchase of between 5% and 25% of the Fund's outstanding Shares, for each quarterly repurchase offer, the Fund currently expects to offer to repurchase 5% of the Fund's outstanding Shares at NAV subject to approval of the Board. The Board will consider such factors as it deems relevant including the Investment Manager's views, liquidity of the portfolio and investor demand in considering the level of the repurchase offer. The schedule requires the Fund to make repurchase offers every three months. The Fund expects the first Repurchase Request Deadline to occur no later than six months after the initial effective date of this registration statement.

Quarterly repurchases by the Fund of its Shares typically will be funded from available cash. However, repurchase offers and the need to fund repurchase obligations may affect the ability of the Fund to be fully invested or force the Fund to maintain a higher percentage of its assets in liquid investments, which may harm the Fund's investment performance. In addition, the Fund may be required to sell portfolio securities (including at inopportune times) to satisfy repurchase requests, resulting in increased transaction costs that the Fund and its shareholders must bear. The sale of Fund assets to satisfy repurchase requests may also result in higher short-term capital gains for taxable shareholders. Furthermore, a diminution in the Fund's size may limit the Fund's ability to participate in new investment opportunities or achieve its investment objective. If the Fund borrows money to finance repurchases, interest on that borrowing will negatively affect shareholders who do not tender their Shares by increasing Fund expenses and reducing any net investment income. The Fund may charge an Early Repurchase Fee of up to 2% of the net asset value of Shares that are repurchased to the extent that the repurchased Shares were held by the shareholder for less than one year on a first-in, first-out basis. If an Early Repurchase Fee is charged to a shareholder, the amount of such fee will be retained by the Fund in order to compensate the Fund for expenses directly related to the repurchase. An Early Repurchase Fee payable by a shareholder may be waived by the Fund in circumstances where the Board determines that doing so is in the best interests of the Fund and in a manner as will not discriminate unfairly against any shareholder.

Repurchase Dates

The Fund will make quarterly repurchase offers every three months. As discussed below, the date on which the repurchase price for Shares is determined will occur no later than the 14th day after the Repurchase Request Deadline (or the next business day, if the 14th day is not a business day). A repurchase schedule setting forth each of these dates for the Fund's current calendar year is available on the Fund's website at www.MuzinichUSFunds.com.

Repurchase Request Deadline

The date by which shareholders wishing to tender Shares for repurchase must respond to the repurchase offer will be no more than 14 days before the Repurchase Pricing Date (defined below). When a repurchase offer commences, the Fund sends, at least 21 calendar days and not more than 42 calendar days before the Repurchase Request Deadline, written notice to each shareholder setting forth, the following, among other things:

- The percentage of outstanding Shares that the Fund is offering to repurchase and how the Fund will purchase Shares on a pro rata basis if the offer is oversubscribed;
- The date on which a shareholder's repurchase request is due;
- The date that will be used to determine the Fund's NAV applicable to the repurchase offer (the "Repurchase Pricing Date");
- The date by which the Fund will pay to shareholders the proceeds from their Shares accepted for repurchase;
- The NAV of the Shares as of a date no more than seven days before the date of the written notice and how shareholders may ascertain the NAV.
- The procedures by which shareholders may tender their Shares and the right of shareholders to withdraw or modify their tenders before the Repurchase Request Deadline; and
- The circumstances in which the Fund may suspend or postpone the repurchase offer.

This notice may be included in a shareholder report or other Fund document. Shareholders that hold Shares through a financial intermediary will need to ask their financial intermediary to submit their repurchase requests and

tender Shares on their behalf. **The Repurchase Request Deadline will be strictly observed.** If a shareholder's repurchase request is not submitted to the Fund's transfer agent in properly completed form by the Repurchase Request Deadline, the shareholder will be unable to sell his or her Shares to the Fund until a subsequent repurchase offer, and the shareholder's request for that offer must be resubmitted. If a shareholder's Authorized Intermediary will submit his or her repurchase request, the shareholder should submit his or her request to the Authorized Intermediary in the form requested by the Authorized Intermediary sufficiently in advance of the Repurchase Request Deadline to allow the Authorized Intermediary to submit the request to the Fund. If a shareholder's Authorized Intermediary is unable or fails to submit the shareholder's request to the Fund in a timely manner, or if the shareholder fails to submit his or her request to the shareholder's Authorized Intermediary, the shareholder will be unable to sell his or her Shares to the Fund until a subsequent repurchase offer, and the shareholder's request for that offer must be resubmitted.

Shareholders may withdraw or change a repurchase request with a proper instruction submitted in good form at any point before the Repurchase Request Deadline.

Determination of Repurchase Price and Payment for Shares

The Repurchase Pricing Date will occur no later than the 14th day after the Repurchase Request Deadline (or the next business day, if the 14th day is not a business day). The Fund expects to distribute payment to shareholders within three (3) business days after the Repurchase Pricing Date and will distribute such payment in settlement of the Fund's repurchase of Shares no later than seven (7) calendar days after such Repurchase Pricing Date. The Fund's NAV per share may change materially between the date a repurchase offer is mailed and the Repurchase Request Deadline, and it may also change materially between the Repurchase Request Deadline and Repurchase Pricing Date. The Fund may charge an Early Repurchase Fee, which is equal to up to 2% of the net asset value of Shares that are repurchased to the extent that the repurchased Shares were held by the shareholder for less than one year on a first-in, first-out basis. The method by which the Fund calculates its NAV is discussed below under "How Fund Shares are Priced." During the period an offer to repurchase is open, shareholders may obtain the current NAV by visiting www.MuzinichUSFunds.com or calling the Fund's transfer agent at 800-434-7317.

Suspension or Postponement of Repurchase Offers

The Fund may suspend or postpone a repurchase offer in limited circumstances set forth in Rule 23c-3 under the Act, as described below, but only with the approval of a majority of the Trustees, including a majority of Trustees who are not "interested persons" of the Fund, as defined in the 1940 Act. The Fund may suspend or postpone a repurchase offer as may be permitted under Rule 23c-3, including (but not limited to): (1) if making or effecting the repurchase offer would cause the Fund to lose its status as a RIC under Subchapter M of the Code; (2) for any period during which the NYSE or any other market in which the securities owned by the Fund are principally traded is closed, other than customary weekend and holiday closings, or during which trading in such market is restricted; (3) for any period during which an emergency exists as a result of which disposal by the Fund of securities owned by it is not reasonably practicable, or during which it is not reasonably practicable for the Fund fairly to determine the value of its net assets; or (4) for such other periods as the SEC may by order permit for the protection of shareholders of the Fund.

Oversubscribed Repurchase Offers

There is no minimum number of Shares that must be tendered before the Fund will honor repurchase requests. However, the Fund's Trustees set for each repurchase offer a maximum percentage of Shares that may be repurchased by the Fund, which is currently expected to be 5% of the Fund's outstanding Shares. In the event a repurchase offer by the Fund is oversubscribed, the Fund may repurchase, but is not required to repurchase, additional Shares up to a maximum amount of 2% of the outstanding Shares of the Fund. If the Fund determines not to repurchase additional Shares beyond the repurchase offer amount, or if shareholders tender an amount of Shares greater than that which the Fund is entitled to repurchase, the Fund will repurchase the Shares tendered on a pro rata basis. However, the foregoing will not prohibit the Fund from accepting all Shares tendered for repurchase by shareholders who own less than one hundred (100) Shares and who tender all of their Shares, before prorating Shares tendered by other shareholders; provided that if a shareholder holds his or her Shares through an Authorized Intermediary, such shareholder's Authorized Intermediary may not be willing or able to arrange for this treatment on the shareholder's behalf.

If any Shares that you wish to tender to the Fund are not repurchased because of proration, you will have to wait until the next repurchase offer and resubmit a new repurchase request, and your repurchase request will not be given any priority over other shareholders' requests. Thus, there is a risk that the Fund may not purchase all Shares you wish to

have repurchased in a given repurchase offer or in any subsequent repurchase offer. In anticipation of the possibility of proration, some shareholders may tender more Shares than they wish to have repurchased in a particular quarter, increasing the likelihood of proration.

There is no assurance that the Fund will repurchase the Shares you tender when or in the amount that you desire.

HOW FUND SHARES ARE PRICED

The NAV of the Shares will be determined by dividing the total value of the Fund's portfolio investments and other assets, less any liabilities, by the total number of Shares outstanding.

On each day that the NYSE is open, the Shares will be ordinarily valued as of the NYSE Close. Information that becomes known to the Fund or its agents after the time as of which NAV has been calculated on a particular day will not generally be used to retroactively adjust the price of a security or the NAV determined earlier that day. If regular trading on the NYSE closes earlier than scheduled, the Fund may calculate its NAV as of the earlier closing time or calculate its NAV as of the normally scheduled close of regular trading on the NYSE for that day. The Fund generally will not calculate its NAV on days on which the NYSE is not open for business. If the NYSE is closed on a day it would normally be open for business, the Fund may calculate its NAV as of the normally scheduled NYSE Close or such other time that the Fund may determine.

For purposes of calculating NAV, portfolio securities and other assets for which market quotations are readily available are valued at market value. A market quotation is readily available only when that quotation is a quoted price (unadjusted) in active markets for identical investments that the Fund can access at the measurement date; provided that a quotation will not be readily available if it is not reliable. Market value is generally determined on the basis of official closing prices or the last reported sales prices.

Investments for which market quotations are not readily available are valued at fair value as determined in good faith pursuant to Rule 2a-5 under the Act. As a general principle, the fair value of a security or asset is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Pursuant to Rule 2a-5, the Board has designated the Investment Manager as the Valuation Designee ("Valuation Designee") for the Fund to perform the fair value determination relating to all Fund investments. The Investment Manager may carry out its designated responsibilities as Valuation Designee through various teams and committees. The Valuation Designee's policies and procedures govern the Valuation Designee's selection and application of methodologies for determining and calculating the fair value of Fund investments. The Valuation Designee may value Fund portfolio securities for which market quotations are not readily available and other Fund assets utilizing inputs from pricing services, quotation reporting systems, valuation agents and other third-party sources (together, "Pricing Sources").

Domestic fixed income securities are normally valued on the basis of quotes obtained from brokers and dealers or Pricing Sources using data reflecting the earlier closing of the principal markets for those securities. Prices obtained from Pricing Sources may be based on, among other things, information provided by market makers or estimates of market values obtained from yield data relating to investments or securities with similar characteristics. Certain fixed income securities purchased on a delayed-delivery basis are marked to market daily until settlement at the forward settlement date. With respect to any portion of the Fund's assets that are invested in one or more open-end management investment companies (other than exchange-traded funds), the Fund's NAV will be calculated based upon the NAVs of such investments.

Fair valuation may require subjective determinations about the value of a security. While the Fund's and Valuation Designee's policies and procedures are intended to result in a calculation of the Fund's NAV that fairly reflects security values as of the time of pricing, the Fund cannot ensure that fair values accurately reflect the price that the Fund could obtain for a security if it were to dispose of that security as of the time of pricing (for instance, in a forced or distressed sale). The prices used by the Fund may differ from the value that would be realized if the securities were sold.

DISTRIBUTIONS

The Fund currently intends to declare and pay income dividends to its shareholders quarterly. Subject to applicable law, the Fund may fund a portion of its distributions with gains from the sale of portfolio securities and other sources. The dividend rate that the Fund pays on its Shares may vary as portfolio and market conditions change, and will depend on a number of factors, including without limitation the amount of the Fund's undistributed net investment income and net short- and long-term capital gains. The rate of distributions on the Shares and the Fund's dividend policy could change based on several factors, including the amount of the Fund's undistributed net investment income and historical and projected investment income. For a discussion of factors that may cause the Fund's income and capital gains (and therefore the dividend) to vary, see "Risks of the Fund." The Fund intends to distribute each year substantially all of its net investment income and net short-term capital gains. In addition, at least annually, the Fund intends to distribute net realized long-term capital gains not previously distributed, if any. The net investment income of the Fund consists of all income (other than net short-term and long-term capital gains) less all expenses of the Fund. The Fund's distribution rates may be based, in part, on projections as to annual cash available for distribution and, therefore, the distributions paid by the Fund for any quarter may be more or less than the amount of cash available to the Fund for distribution for that quarterly period.

The Fund may distribute less than the entire amount of net investment income earned in a particular period. The undistributed net investment income would be available to supplement future distributions. As a result, the distributions paid by the Fund for any quarterly period may be more or less than the amount of net investment income actually earned by the Fund during the period. Undistributed net investment income will be added to the Fund's NAV and, correspondingly, distributions from undistributed net investment income will be deducted from the Fund's NAV.

The tax treatment and characterization of the Fund's distributions may vary significantly from time to time because of the varied nature of the Fund's investments. If the Fund estimates that a portion of one of its dividend distributions may be comprised of amounts from sources other than net investment income in accordance with its internal policies, accounting records and related accounting practices, the Fund will notify shareholders of record of the estimated composition of such distribution through a Section 19 Notice. For these purposes, the Fund estimates the source or sources from which a distribution is paid, to the close of the period as of which it is paid, in reference to its internal accounting records and related accounting practices. If, based on such accounting records and practices, it is estimated that a particular distribution does not include capital gains or paid-in surplus or other capital sources, a Section 19 Notice generally would not be issued. It is important to note that differences exist between the Fund's daily internal accounting records and practices, the Fund's financial statements presented in accordance with U.S. GAAP, and recordkeeping practices under the U.S. Treasury regulations. For instance, the Fund's internal accounting records and practices may consider, among other factors, tax-related characteristics of certain sources of distributions that differ from treatment under U.S. GAAP. Examples of such differences may include, among others, the treatment of paydowns on securities purchased at a discount and periodic payments under interest rate swap contracts. Accordingly, among other consequences, it is possible that the Fund may not issue a Section 19 Notice in situations where the Fund's financial statements prepared later and in accordance with U.S. GAAP and/or the final tax character of those distributions might later report that the sources of those distributions included capital gains and/or a return of capital.

The tax characterization of the Fund's distributions made in a taxable year cannot finally be determined until at or after the end of the year. As a result, there is a possibility that the Fund may make total distributions during a taxable year in an amount that exceeds the Fund's net investment income and net realized capital gains (as reduced by any capital loss carryforwards) for the relevant year. For example, the Fund may distribute amounts early in the year that are derived from short-term capital gains but incur net short-term capital losses later in the year, thereby offsetting short-term capital gains out of which distributions have already been made by the Fund. Additionally, the Fund's distributions may be funded from unlimited amounts of offering proceeds or borrowings, which may constitute a return of capital and reduce the amount of capital available to the Fund for investment. In such situations, the amount by which the Fund's total distributions exceed net investment income and net realized capital gains would generally be treated first as a tax-free return of capital up to the amount of a shareholder's tax basis in his or her Shares, with any amounts exceeding such basis treated as gain from the sale of Shares. In general terms, a return of capital would occur where a Fund distribution (or portion thereof) represents a return of a portion of your investment, rather than net income or capital gains generated from your investment during a particular period. A return of capital is not taxable, but it reduces a shareholder's tax basis in the Shares, thus reducing any capital loss or increasing any capital gain on a subsequent taxable disposition by the shareholder of the Shares. Any capital returned to Fund shareholders through distributions will be distributed after

payment of fees and expenses. The Fund will send shareholders detailed tax information with respect to the Fund's distributions annually. See "Tax Matters."

The 1940 Act currently limits the number of times the Fund may distribute long-term capital gains in any taxable year, which may increase the variability of the Fund's distributions and result in certain distributions being comprised more or less than others of long-term capital gains currently eligible for favorable income tax rates.

Unless a shareholder elects to receive Fund distributions in cash, all distributions to shareholders whose shares are registered with the Plan Agent (defined below) will be automatically reinvested in additional Shares under the Dividend Reinvestment Plan. See "Dividend Reinvestment Plan."

The Board may change the Fund's distribution policy and the amount or timing of distributions, based on several factors, including the amount of the Fund's undistributed net investment income and net short- and long-term capital gains and historical and projected net investment income and net short- and long-term capital gains.

DIVIDEND REINVESTMENT PLAN

Pursuant to the Dividend Reinvestment Plan, all shareholders of the Fund will have all dividends, including any capital gain dividends, reinvested automatically in additional Shares by U.S. Bank Global Fund Services as agent for such shareholders (the "Plan Agent"), unless the shareholder elects to receive cash. An election to receive cash may be revoked or reinstated at the option of the shareholder. In the case of record shareholders such as banks, brokers or other nominees that hold Shares for others who are the beneficial owners, the Plan Agent will administer the Dividend Reinvestment Plan on the basis of the number of Shares certified from time to time by the record shareholder as representing the total amount registered in such shareholder's name and held for the account of beneficial owners who are to participate in the Dividend Reinvestment Plan. Shareholders whose Shares are held in the name of a bank, broker or nominee should contact the bank, broker, or nominee for details. Shareholders that participate in the Dividend Reinvestment Plan in a brokerage account may not be able to transfer the Shares to another broker and continue to participate in the Dividend Reinvestment Plan. Pursuant to the Dividend Reinvestment Plan, the Fund's dividends to shareholders are reinvested in full and fractional Shares as described below.

The number of Shares to be received when dividends are reinvested will be determined by dividing the amount of the dividend by the Fund's NAV per share as of the date of such dividend. Shares received under the Dividend Reinvestment Plan will be issued to you at their NAV on the ex-dividend date; there is no sales or other charge for reinvestment. You are free to withdraw from the Dividend Reinvestment Plan and elect to receive cash at any time by giving written notice to the Plan Agent or by contacting your broker or dealer, who will inform the Fund. Your request must be received by the Fund at least 10 days prior to the payment date of the distribution to be effective for that dividend or capital gain distribution.

The Plan Agent provides written confirmation of all transactions in the shareholder accounts in the Dividend Reinvestment Plan, including information you may need for tax records. Any proxy you receive will include all Shares you have received under the Dividend Reinvestment Plan.

If you elect to receive distributions and/or capital gains paid in cash, and the U.S. Postal Service cannot deliver the check, or if a check remains outstanding for six months, the Fund reserves the right to reinvest the distribution check in your account, at the Fund's then current net asset value, and to reinvest all subsequent distributions.

Automatically reinvested dividends and distributions are taxed in the same manner as cash dividends and distributions. See "Tax Matters."

The Fund and the Plan Agent reserve the right to amend or terminate the Dividend Reinvestment Plan. There is no direct service charge to participants in the Dividend Reinvestment Plan; however, the Fund reserves the right to amend the Dividend Reinvestment Plan to include a service charge payable by the participants. If the Dividend Reinvestment Plan is amended to include such service charges, the Plan Agent will include a notification to shareholders that are registered with the Plan Agent. Additional information about the Dividend Reinvestment Plan may be obtained from the Plan Agent.

DESCRIPTION OF CAPITAL STRUCTURE AND SHARES

The following is a brief description of the capital structure of the Fund. This description does not purport to be complete and is subject to and qualified in its entirety by reference to the Declaration of Trust and the Fund's Bylaws, as amended and restated through the date hereof (the "Bylaws"). The Declaration of Trust and Bylaws are on file with the SEC as an exhibit to the Fund's registration statement, of which this Prospectus is a part.

The Fund is a statutory trust established under the laws of State of Delaware on January 12, 2026. The Declaration of Trust provides that the Trustees of the Fund may authorize separate classes of shares of beneficial interest.

Shares

The Declaration of Trust authorizes the issuance of an unlimited number of Shares. Shares will be issued with no par value per share. The fees and expenses for the Fund are set forth in "Summary of Fund Expenses," above. See also "The Distributor and the Distribution and Shareholder Service Plan," above.

Fund shareholders will be entitled to the payment of dividends and other distributions when, as and if declared by the Board. All Shares have equal rights to the payment of dividends and the distribution of assets upon liquidation. Shares will, when issued, be fully paid and non-assessable, and will have no preemptive rights, rights to cumulative voting or, unless authorized by the Trustees, conversion rights. Upon liquidation of the Fund, after paying or adequately providing for the payment of all liabilities of the Fund, and upon receipt of such releases, indemnities, and refunding agreements as they deem necessary for their protection, the Trustees may distribute the remaining assets of the Fund among the Fund's shareholders.

The Fund does not intend to hold annual meetings of shareholders. If the Fund does hold a meeting of shareholders, Shares of the Fund entitle their holders to one vote for each share held and a proportionate fractional vote for each fractional share held.

Shares are not, and are not expected to be, listed for trading on any national securities exchange nor is there expected to be any secondary trading market in the Shares.

CERTAIN PROVISIONS IN THE DECLARATION OF TRUST

General

Shareholders of the Fund shall not be personally liable for the debts liabilities, obligations and expenses incurred by, contracted for, or otherwise existing with respect to the Fund or any class of Shares. In case any shareholder shall be held personally liable for any such obligations solely by reason of having been a shareholder, and not because of his or her own acts or omissions, the shareholder or former shareholder (and his, her or their, executors, administrators or legal representatives) shall be held harmless and indemnified out of the assets of the Fund.

The Declaration of Trust requires the majority of the Board to act in order to authorize certain Fund transactions not in the ordinary course of business, including a merger, reorganization, conversion, consolidation, sale, lease or exchange. Any such merger, reorganization, conversion, consolidation, sale, lease, or exchange shall not require the vote of the shareholders unless such vote is required by applicable law including the 1940 Act, or unless such merger, reorganization, consolidation, or other transaction would result in an amendment of the Declaration of Trust which would otherwise require the approval of shareholders. Also, the Declaration of Trust provides that the Fund may be terminated without shareholder approval with consent of a majority of the Board unless approval is required by the 1940 Act.

Exclusive Jurisdiction

The Declaration of Trust provides that any claim, suit, action or proceeding brought by or in the right of any shareholder, or any person claiming an interest in the Shares, to enforce any provision of, or based on any matter arising out of or in connection with the Declaration of Trust, the Bylaws, the Shares including any claim of any nature against the Fund, or its Trustees or officers, shall be brought exclusively in the Court of Chancery of the State of Delaware to the extent there is subject matter jurisdiction in such court for the claims asserted, or, if not, then the Superior Court of the State of Delaware. The exclusive jurisdiction provision shall not apply to claims under the federal securities laws, and the federal securities laws shall govern the determination of a court of competent jurisdiction.

Derivative Actions

The Declaration of Trust provides that shareholders may bring a derivative action on behalf of the Fund or any class of the Fund only if certain conditions are met, including that the shareholder or shareholders must make a pre-suit written demand upon the Trustees to bring the subject action and the Trustees must be afforded a reasonable amount of time to consider such shareholder request and to investigate the basis of such claim. The Trustees shall be entitled to retain counsel or other advisers in considering the merits of the request and shall require an undertaking by the shareholders making such request to reimburse the Fund for the expense of any such advisers in the event that the Trustees determine not to bring such action. Furthermore, shareholders may not bring a derivative action with respect to the Fund or any class of the Fund unless holders of at least ten percent (10%) of the outstanding shares of the Fund, or ten percent (10%) of the outstanding shares of the class to which such action relates, join in the bringing of such action. The foregoing requirements do not apply to claims brought under the federal securities laws. The Fund's Declaration of Trust and Bylaws also provide that with respect to any claim, suit, action, or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, the Declaration of Trust, the Bylaws, the Fund, or any class or any shares, including any claim of any nature against the Fund, any class, or the Trustees or officers of the Fund, (i) such action shall be brought exclusively in the Court of Chancery of the State of Delaware to the extent there is subject matter jurisdiction in such court for the claims asserted or, if not, then in the Superior Court of the State of Delaware, and (ii) each shareholder and other such persons claiming any interest in any Fund shares, with respect to any such claim, suit, action or proceeding, irrevocably waives any and all right to trial by jury. The exclusive state court jurisdiction provisions may result in shareholders having to bring such claim, suit, action, or proceeding in forums that are inconvenient and less favorable to the shareholders. These provisions do not apply to claims brought under the federal securities laws to the extent that any such federal securities laws, rules or regulations, do not permit such application.

The foregoing is intended only as a summary and is qualified in its entirety by reference to the full text of the Declaration of Trust. The Declaration of Trust is on file with the SEC as an exhibit to the Fund's registration statement, of which this Prospectus is a part.

TAX MATTERS

This section is provided as general information and summarizes only some of the important U.S. federal income tax considerations affecting "U.S. shareholders" (i.e., beneficial owners of Shares that are "United States persons," as such term is defined under the Code but not partnerships investing in the Fund). The consequences under other tax laws and to investors that are partnerships (or entities treated as partnerships for U.S. federal income tax purposes), investors that are subject to special treatment (such as tax-exempt investors, RICs or real estate investment trusts) or shareholders that are not "United States persons" under the Code may differ. Prospective investors should consult their tax advisors as to the possible application of federal, state, local or non-U.S. income tax laws.

This summary is based on the Code, U.S. Treasury regulations, rulings, judicial decisions, and other applicable authority, all as of the date of this Prospectus. These authorities are subject to change by legislative or administrative action, possibly with retroactive effect. This summary is not intended to be, and should not be construed to be, legal or tax advice to any particular purchaser of the Fund's securities. Please see the SAI for additional information regarding the tax aspects of investing in the Fund. Additionally, all prospective investors should consult their own tax advisors concerning the particular U.S. federal income tax considerations of investing in the Fund, as well as the consequences arising under the laws or other guidance of any other taxing jurisdiction.

Treatment as a Regulated Investment Company

The Fund intends to elect to be treated, and intends each year to qualify and be eligible to be treated, as a RIC under Subchapter M of the Code. A RIC is not subject to U.S. federal income tax at the corporate level on income and gains from investments that are distributed in a timely manner to its shareholders in the form of dividends.

Certain Fund Investments

The Fund's investments in certain CLOs could cause the Fund to recognize taxable income in excess of the cash generated by such investments (which may require the Fund to liquidate other investments in order to make required distributions).

Taxes on Fund Distributions

A U.S. shareholder will generally be subject to federal income tax on Fund distributions. For U.S. federal income tax purposes, Fund distributions will generally be taxable to a U.S. shareholder as either ordinary income or capital gains. Fund dividends consisting of distributions of investment income generally are taxable to shareholders as ordinary income. The Fund will inform shareholders of the amount and character of its distributions to shareholders.

U.S. federal income taxes on Fund distributions of capital gains are determined by how long the Fund owned or is deemed to have owned the investments that generated the capital gains, rather than how long a U.S. shareholder has owned the Shares. Distributions of net capital gains (that is, the excess of net long-term capital gains over net short-term capital losses, in each case determined with reference to any loss carryforwards) that are properly reported by the Fund as capital gain dividends generally will be treated as long-term capital gains includible in a U.S. shareholder's net capital gains and taxed to individuals at reduced rates. The Fund does not expect a significant portion of its distributions to be treated as long-term capital gains. Distributions of net short-term capital gains in excess of net long-term capital losses generally will be taxable to U.S. shareholders as ordinary income. Distributions that the Fund properly reports to U.S. shareholders as "qualified dividend income" are taxable in the hands of individuals at the reduced tax rates applicable to long-term capital gains provided that both the individual U.S. shareholder and the Fund meet certain holding period and other requirements.

The Code generally imposes a 3.8% Medicare contribution tax on the net investment income of certain U.S. shareholders that are individuals, trusts and estates to the extent their income exceeds certain threshold amounts. Net investment income generally includes for this purpose dividends (other than exempt-interest dividends) paid by the Fund, including any capital gain dividends, and including net capital gains recognized on the sale, redemption or exchange of Shares. U.S. Shareholders are advised to consult their tax advisors regarding the possible implications of this additional tax on their investment in the Fund.

The ultimate tax characterization of the Fund's distributions made in a taxable year cannot be determined finally until after the end of that taxable year. As a result, there is a possibility that the Fund may make total distributions during a taxable year in an amount that exceeds the Fund's current and accumulated earnings and profits. In that case, the excess generally would be treated first as tax-free return of capital and would reduce a U.S. shareholder's tax basis in the applicable Shares, with any amounts exceeding such basis treated as gain from the sale of such Shares. A return of capital is not taxable, but it reduces a U.S. shareholder's tax basis in the Shares, thus reducing any capital loss or increasing any capital gain on a subsequent taxable disposition by the U.S. shareholder of the Shares.

A U.S. shareholder whose distributions are reinvested in Shares under the Dividend Reinvestment Plan will be treated for U.S. federal income tax purposes as having received an amount in distribution equal to the fair market value of the Shares issued to the U.S. shareholder, which amount will also be equal to the NAV of such Shares. For U.S. federal income tax purposes, all distributions are generally taxable in the manner described above, whether a U.S. shareholder takes them in cash or they are reinvested pursuant to the Dividend Reinvestment Plan in additional Shares. See "Dividend Reinvestment Plan" above for further details.

Fund distributions are taxable to U.S. shareholders as described above even if they are paid from income or gains earned by the Fund before a U.S. shareholder's investment (and thus were included in the price the U.S. shareholder paid).

Taxes on Sale, Exchange, or Disposition of Shares

Any gain resulting from the disposition of Shares that is treated as a sale or exchange for U.S. federal income tax purposes generally will be taxable to U.S. shareholders as a capital gain or capital loss for U.S. federal income tax purposes.

U.S. Shareholders who offer and are able to sell all of the Shares they hold or are deemed to hold in response to a repurchase offer (as described above) generally will be treated as having sold their Shares and generally will recognize a capital gain or loss. In the case of U.S. shareholders who tender or are able to sell fewer than all of their Shares, it is possible that any amounts that the U.S. shareholder receives in such repurchase will be taxable as a dividend to such U.S. shareholder. In addition, there is a risk that U.S. shareholders who do not tender any of their Shares for repurchase, or whose percentage interest in the Fund otherwise increases because of the repurchase offer, will be treated for U.S. federal income tax purposes as having received a taxable dividend distribution as a result of their proportionate increase in the

ownership of the Fund. The Fund's use of cash to repurchase Shares could adversely affect its ability to satisfy the distribution requirements for treatment as a RIC. The Fund could also recognize income in connection with its disposition of portfolio securities to fund share repurchases. Any such income would be considered in determining whether the Fund has satisfied any applicable distribution requirements.

Backup Withholding

If you are a resident or a citizen of the United States, by law, the Fund is generally required to withhold and remit the legally required backup withholding amount (currently a flat rate of 24%) of your dividends, distributions, sales proceeds, and any other payments you receive from the Fund if you fail to properly furnish the Fund with your correct taxpayer identification number or Social Security number and make other required certifications, if you have under-reported dividend or interest income or if you are otherwise subject to backup withholding. In certain circumstances, the IRS may also require the Fund to backup withhold even when an appropriate taxpayer identification number or Social Security number has been provided or certified. The backup withholding rules may also apply to distributions that are properly reported as exempt-interest dividends.

General

The foregoing discussion relates solely to U.S. federal income tax laws. Dividends and distributions also may be subject to state and local taxes. Shareholders are urged to consult their tax advisors regarding specific questions as to federal, state, local, and, where applicable, foreign taxes. Non-U.S. investors should consult their tax advisors concerning the tax consequences of ownership of Shares of the Fund. The foregoing is a general and abbreviated summary of the applicable provisions of the Code and related regulations currently in effect. For the complete provisions, reference should be made to the pertinent Code sections and regulations. The Code and regulations are subject to change by legislative or administrative actions.

See "U.S. Federal Income Tax Considerations" in the SAI for additional information regarding the tax aspects of investing in Shares of the Fund.

CUSTODIAN AND TRANSFER AGENT

The custodian of the assets of the Fund is U.S. Bank National Association (the "Custodian"), 1555 North RiverCenter Drive, Suite 302, Milwaukee, Wisconsin 53212. The Custodian holds and administers the assets in the Fund's portfolio.

U.S. Bancorp Fund Services, LLC, doing business as U.S. Bank Global Fund Services ("Fund Services"), 615 East Michigan Street, Milwaukee, Wisconsin 53202, serves as the Fund's transfer agent, dividend disbursement agent and shareholder servicing agent, as well as agent for the Dividend Reinvestment Plan. Fund Services also serves as the Fund's administrator, providing the Fund with administrative and management services (other than investment advisory services) and accounting services, including portfolio accounting services, tax accounting services, and furnishing financial reports. In this capacity, Fund Services does not have any responsibility or authority for the management of the Fund, the determination of investment policy, or for any matter pertaining to the distribution of Shares.

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Cohen & Company, Ltd., 1835 Market Street, Suite 310, Philadelphia, PA 19103, serves as the independent registered public accounting firm for the Fund. Its services include auditing the Fund's financial statements. Cohen & Co Advisory, LLC, an affiliate of Cohen & Company, Ltd., provides tax services as requested.

LEGAL MATTERS

Certain legal matters will be passed on for the Fund by Vedder Price P.C., 222 N. LaSalle St., Chicago, Illinois 60601.

APPENDIX A

DESCRIPTION OF SECURITIES RATINGS

The Fund's investments may range in quality from securities rated in the lowest category in which the Fund is permitted to invest to securities rated in the highest category (as rated by Moody's, Standard & Poor's, or Fitch, or, if unrated, determined by the Investment Manager to be of comparable quality). The percentage of the Fund's assets invested in securities in a particular rating category will vary. The following terms are generally used to describe the credit quality of fixed income securities:

High Quality Debt Securities are those rated in one of the two highest rating categories (the highest category for commercial paper) or, if unrated, deemed comparable by the Investment Manager.

Investment Grade Debt Securities are those rated in one of the four highest rating categories, or, if unrated, deemed comparable by the Investment Manager.

Below Investment Grade High Yield Securities ("Junk Bonds"), are those rated lower than Baa by Moody's, BBB by Standard & Poor's or Fitch, and comparable securities. They are deemed predominantly speculative with respect to the issuer's ability to repay principal and interest.

The following is a description of Moody's, Standard & Poor's and Fitch's rating categories applicable to fixed income securities.

Moody's Investors Service, Inc.

Global Long-Term Rating Scale

Ratings assigned on Moody's global long-term rating scales are forward-looking opinions of the relative credit risks of financial obligations issued by non-financial corporates, financial institutions, structured finance vehicles, project finance vehicles, and public sector entities. Long-term ratings are assigned to issuers or obligations with an original maturity of eleven months or more and reflect both on the likelihood of a default or impairment on contractual financial obligations and the expected financial loss suffered in the event of default or impairment.

Aaa:	Obligations rated Aaa are judged to be of the highest quality, subject to the lowest level of credit risk.
Aa:	Obligations rated Aa are judged to be of high quality and are subject to very low credit risk.
A:	Obligations rated A are judged to be upper-medium grade and are subject to low credit risk.
Baa:	Obligations rated Baa are judged to be medium-grade and subject to moderate credit risk and as such may possess certain speculative characteristics.
Ba:	Obligations rated Ba are judged to be speculative and are subject to substantial credit risk.
B:	Obligations rated B are considered speculative and are subject to high credit risk.
Caa:	Obligations rated Caa are judged to be speculative of poor standing and are subject to very high credit risk.
Ca:	Obligations rated Ca are highly speculative and are likely in, or very near, default, with some prospect of recovery of principal and interest.
C:	Obligations rated C are the lowest rated and are typically in default, with little prospect for recovery of principal or interest.

Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category. Additionally, a "(hyb)" indicator is appended to all ratings of hybrid securities issued by banks, insurers, finance companies, and securities firms. *

* By their terms, hybrid securities allow for the omission of scheduled dividends, interest, or principal payments, which can potentially result in impairment if such an omission occurs.

Hybrid securities may also be subject to contractually allowable write-downs of principal that could result in impairment. Together with the hybrid indicator, the long-term obligation rating assigned to a hybrid security is an expression of the relative credit risk associated with that security.

Medium-Term Note Program Ratings

Moody's assigns provisional ratings to medium-term note (MTN) or similar programs and definitive ratings to the individual debt securities issued from them (referred to as drawdowns or notes).

MTN program ratings are intended to reflect the ratings likely to be assigned to drawdowns issued from the program with the specified priority of claim (*e.g.*, senior or subordinated). To capture the contingent nature of a program rating, Moody's assigns provisional ratings to MTN programs. A provisional rating is denoted by a (P) in front of the rating.

The rating assigned to a drawdown from a rated MTN or bank/deposit note program is definitive in nature, and may differ from the program rating if the drawdown is exposed to additional credit risks besides the issuer's default, such as links to the defaults of other issuers, or has other structural features that warrant a different rating. In some circumstances, no rating may be assigned to a drawdown.

Moody's encourages market participants to contact Moody's Ratings Desks or visit www.moodys.com directly if they have questions regarding ratings for specific notes issued under a medium-term note program. Unrated notes issued under an MTN program may be assigned an NR (not rated) symbol.

National Scale Long-Term Ratings

Moody's long-term National Scale Ratings (NSRs) are opinions of the relative creditworthiness of issuers and financial obligations within a particular country. NSRs are not designed to be compared among countries; rather, they address relative credit risk within a given country. Moody's assigns national scale ratings in certain local capital markets in which investors have found the global rating scale provides inadequate differentiation among credits or is inconsistent with a rating scale already in common use in the country.

In each specific country, the last two characters of the rating indicate the country in which the issuer is located, or the financial obligation was issued (*e.g.*, Aaa.ke for Kenya).

Aaa.n:	Issuers or issues rated Aaa.n demonstrate the strongest creditworthiness relative to other domestic issuers and issuances.
Aa.n:	Issuers or issues rated Aa.n demonstrate very strong creditworthiness relative to other domestic issuers and issuances.
A.n:	Issuers or issues rated A.n present above-average creditworthiness relative to other domestic issuers and issuances.
Baa.n:	Issuers or issues rated Baa.n represent average creditworthiness relative to other domestic issuers and issuances.
Ba.n:	Issuers or issues rated Ba.n demonstrate below-average creditworthiness relative to other domestic issuers and issuances.
B.n:	Issuers or issues rated B.n demonstrate weak creditworthiness relative to other domestic issuers and issuances.
Caa.n:	Issuers or issues rated Caa.n demonstrate very weak creditworthiness relative to other domestic issuers and issuances.
Ca.n:	Issuers or issues rated Ca.n demonstrate extremely weak creditworthiness relative to other domestic issuers and issuances.
C.n:	Issuers or issues rated C.n demonstrate the weakest creditworthiness relative to other domestic issuers and issuances.

Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

Standard & Poor's Ratings Services

Long-Term Issue Credit Ratings

Issue credit ratings are based, in varying degrees, on S&P Global Ratings' ("S&P") analysis of the following considerations:

- Likelihood of payment—capacity and willingness of the obligor to meet its financial commitments on an obligation in accordance with the terms of the obligation;
- Nature and provisions of the financial obligation and the promise S&P imputes; and
- Protection afforded by, and relative position of, the financial obligation in the event of a bankruptcy, reorganization, or other arrangement under the laws of bankruptcy and other laws affecting creditors' rights.

Issue ratings are an assessment of default risk but may incorporate an assessment of relative seniority or ultimate recovery in the event of default. Junior obligations are typically rated lower than senior obligations, to reflect lower priority in bankruptcy, as noted above. (Such differentiation may apply when an entity has both senior and subordinated obligations, secured and unsecured obligations, or operating company and holding company obligations.)

Investment Grade

AAA:	An obligation rated 'AAA' has the highest rating assigned by S&P. The obligor's capacity to meet its financial commitments on the obligation is extremely strong.
AA:	An obligation rated 'AA' differs from the highest-rated obligations only to a small degree. The obligor's capacity to meet its financial commitments on the obligation is very strong.
A:	An obligation rated 'A' is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. However, the obligor's capacity to meet its financial commitments on the obligation is still strong.
BBB:	An obligation rated 'BBB' exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to weaken the obligor's capacity to meet its financial commitments on the obligation.

Speculative Grade

Obligations rated 'BB', 'B', 'CCC', 'CC', and 'C' are regarded as having significant speculative characteristics. 'BB' indicates the least degree of speculation and 'C' the highest. While such obligations will likely have some quality and protective characteristics, these may be outweighed by large uncertainties or major exposure to adverse conditions.

BB:	An obligation rated 'BB' is less vulnerable to nonpayment than other speculative issues. However, it faces major ongoing uncertainties or exposure to adverse business, financial, or economic conditions that could lead to the obligor's inadequate capacity to meet its financial commitments on the obligation.
B:	An obligation rated 'B' is more vulnerable to nonpayment than obligations rated 'BB', but the obligor currently has the capacity to meet its financial commitments on the obligation. Adverse business, financial, or economic conditions will likely impair the obligor's capacity or willingness to meet its financial commitments on the obligation.
CCC:	An obligation rated 'CCC' is currently vulnerable to nonpayment, and is dependent upon favorable business, financial, and economic conditions for the obligor to meet its financial commitments on the obligation. In the event of adverse business, financial, or economic

conditions, the obligor is not likely to have the capacity to meet its financial commitments on the obligation.

CC: An obligation rated 'CC' is currently highly vulnerable to nonpayment. The 'CC' rating is used when a default has not yet occurred, but S&P expects default to be a virtual certainty, regardless of the anticipated time to default.

C: An obligation rated 'C' is currently highly vulnerable to nonpayment, and the obligation is expected to have lower relative seniority or lower ultimate recovery compared with obligations that are rated higher.

D: An obligation rated 'D' is in default or in breach of an imputed promise. For non-hybrid capital instruments, the 'D' rating category is used when payments on an obligation are not made on the date due, unless S&P believes that such payments will be made within the next five business days in the absence of a stated grace period or within the earlier of the stated grace period or the next 30 calendar days. The 'D' rating also will be used upon the filing of a bankruptcy petition or the taking of similar action and where default on an obligation is a virtual certainty, for example due to automatic stay provisions. A rating on an obligation is lowered to 'D' if it is subject to a distressed debt restructuring.

NR: This indicates that a rating has not been assigned or is no longer assigned.

Plus (+) or minus (-): The ratings from 'AA' to 'CCC' may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the rating categories.

Short-Term Issue Credit Ratings

A-1: A short-term obligation rated 'A-1' is rated in the highest category by S&P. The obligor's capacity to meet its financial commitments on the obligation is strong. Within this category, certain obligations are designated with a plus sign (+). This indicates that the obligor's capacity to meet its financial commitments on these obligations is extremely strong.

A-2: A short-term obligation rated 'A-2' is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher rating categories. However, the obligor's capacity to meet its financial commitments on the obligation is satisfactory.

A-3: A short-term obligation rated 'A-3' exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to weaken an obligor's capacity to meet its financial commitments on the obligation.

B: A short-term obligation rated 'B' is regarded as vulnerable and has significant speculative characteristics. The obligor currently has the capacity to meet its financial commitments; however, it faces major ongoing uncertainties that could lead to the obligor's inadequate capacity to meet its financial commitments.

C: A short-term obligation rated 'C' is currently vulnerable to nonpayment and is dependent upon favorable business, financial, and economic conditions for the obligor to meet its financial commitments on the obligation.

D: A short-term obligation rated 'D' is in default or in breach of an imputed promise. For non-hybrid capital instruments, the 'D' rating category is used when payments on an obligation are not made on the date due, unless S&P believes that such payments will be made within any stated grace period. However, any stated grace period longer than five business days will be treated as five business days. The 'D' rating also will be used upon the filing of a bankruptcy petition or the taking of a similar action and where default on an obligation is a virtual certainty, for example due to automatic stay provisions. A rating on an obligation is lowered to 'D' if it is subject to a distressed debt restructuring.

Dual Ratings: Dual ratings may be assigned to debt issues that have a put option or demand feature. The first component of the rating addresses the likelihood of repayment of principal and interest as due, and the second component of the rating addresses only the demand feature. The first component of the rating can relate to either a short-term or long-term transaction and accordingly use either short-term or long-term rating symbols. The second component of the rating relates to the put option and is assigned a short-term rating symbol (for example, 'AAA/A-1+' or 'A-1+/A-1').

Active Qualifiers

S&P uses the following qualifiers that limit the scope of a rating. The structure of the transaction can require the use of a qualifier such as a 'p' qualifier, which indicates the rating addresses the principal portion of the obligation only. A qualifier appears as a suffix and is part of the rating.

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|---------|---|
| L: | Ratings qualified with 'L' apply only to amounts invested up to federal deposit insurance limits. |
| p: | This suffix is used for issues in which the credit factors, the terms, or both, that determine the likelihood of receipt of payment of principal are different from the credit factors, terms or both that determine the likelihood of receipt of interest on the obligation. The 'p' suffix indicates that the rating addresses the principal portion of the obligation only and that the interest is not rated. |
| prelim: | Preliminary ratings, with the 'prelim' suffix, may be assigned to obligors or obligations, including financial programs, in the circumstances described below. Assignment of a final rating is conditional on the receipt by S&P of appropriate documentation. S&P reserves the right not to issue a final rating. Moreover, if a final rating is issued, it may differ from the preliminary rating. |
- Preliminary ratings may be assigned to obligations and project finance issues, pending receipt of final documentation and legal opinions.
 - Preliminary ratings may be assigned to obligations that will likely be issued upon the obligor's emergence from bankruptcy or similar reorganization, based on late-stage reorganization plans, documentation, and discussions with the obligor. Preliminary ratings may also be assigned to the obligors. These ratings consider the anticipated general credit quality of the reorganized or post-bankruptcy issuer as well as attributes of the anticipated obligation(s).
 - Preliminary ratings may be assigned to entities that are being formed or that are in the process of being independently established when, in S&P's opinion, documentation is close to final. Preliminary ratings may also be assigned to the obligations of these entities.
 - Preliminary ratings may be assigned when a previously unrated entity is undergoing a well-formulated restructuring, recapitalization, significant financing, or other transformative event, generally at the point that investor or lender commitments are invited. The preliminary rating may be assigned to the entity and to its proposed obligation(s). These preliminary ratings consider the anticipated general credit quality of the obligor, as well as attributes of the anticipated obligation(s), assuming successful completion of the transformative event. Should the transformative event not occur, S&P would likely withdraw these preliminary ratings.
 - A preliminary recovery rating may be assigned to an obligation that has a preliminary issue credit rating.
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| t: | This symbol indicates termination structures that are designed to honor their contracts to full maturity or, should certain events occur, to terminate and cash settle all their contracts before their final maturity date. |
| cir: | This symbol indicates a Counterparty Instrument Rating (CIR), which is a forward-looking opinion about the creditworthiness of an issuer in a securitization structure with respect to a specific financial obligation to a counterparty (including interest rate swaps, currency swaps, and liquidity facilities). The CIR is determined on an ultimate payment basis; these opinions do not consider timeliness of payment. |

Inactive Qualifiers (no longer applied or outstanding)

- *: This symbol indicated that the rating was contingent upon S&P receipt of an executed copy of the escrow agreement or closing documentation confirming investments and cash flows. Discontinued use in August 1998.
- c: This qualifier was used to provide additional information to investors that the bank may terminate its obligation to purchase tendered bonds if the long-term credit rating of the issuer was lowered to below an investment grade level and/or the issuer's bonds were deemed taxable. Discontinued use in January 2001.
- G: The letter 'G' followed the rating symbol when a fund's portfolio consisted primarily of direct U.S. government securities.
- i: This suffix was used for issues in which the credit factors, terms, or both that determine the likelihood of receipt of payment of interest are different from the credit factors, terms, or both that determine the likelihood of receipt of principal on the obligation. The 'i' suffix indicated that the rating addressed the interest portion of the obligation only. The 'i' suffix was always used in conjunction with the 'p' suffix, which addresses likelihood of receipt of principal. For example, a rated obligation could have been assigned a rating of 'AAApNRi' indicating that the principal portion was rated 'AAA' and the interest portion of the obligation was not rated.
- pi: This qualifier was used to indicate ratings that were based on an analysis of an issuer's published financial information, as well as additional information in the public domain. Such ratings did not, however, reflect in-depth meetings with an issuer's management and therefore, could have been based on less comprehensive information than ratings without a 'pi' suffix. Discontinued use as of December 2014 and as of August 2015 for Lloyd's Syndicate Assessments.
- pr: The letters 'pr' indicate that the rating was provisional. A provisional rating assumed the successful completion of a project financed by the debt being rated and indicates that payment of debt service requirements was largely or entirely dependent upon the successful, timely completion of the project. This rating, however, while addressing credit quality subsequent to completion of the project, made no comment on the likelihood of or the risk of default upon failure of such completion.
- q: A 'q' subscript indicates that the rating is based solely on quantitative analysis of publicly available information. Discontinued use in April 2001.
- r: The 'r' modifier was assigned to securities containing extraordinary risks, particularly market risks, that are not covered in the credit rating. The absence of an 'r' modifier should not be taken as an indication that an obligation would not exhibit extraordinary noncredit-related risks. S&P discontinued the use of the 'r' modifier for most obligations in June 2000 and for the balance of obligations (mainly structured finance transactions) in November 2002.

Fitch Ratings

Long-Term Credit Ratings Investment Grade

Rated entities in a number of sectors, including financial and non-financial corporations, sovereigns, insurance companies and certain sectors within public finance, are generally assigned Issuer Default Ratings ("IDRs"). IDRs are also assigned to certain entities or enterprises in global infrastructure, project finance, and public finance. IDRs opine on an entity's relative vulnerability to default (including by way of a distressed debt exchange) on financial obligations. The threshold default risk addressed by the IDR is generally that of the financial obligations whose non-payment would best reflect the uncured failure of that entity. As such, IDRs also address relative vulnerability to bankruptcy, administrative receivership or similar concepts.

In aggregate, IDRs provide an ordinal ranking of issuers based on the agency's view of their relative vulnerability to default, rather than a prediction of a specific percentage likelihood of default.

- AAA: Highest credit quality. 'AAA' ratings denote the lowest expectation of default risk. They are assigned only in cases of exceptionally strong capacity for payment of financial commitments. This capacity is highly unlikely to be adversely affected by foreseeable events.
- AA: Very high credit quality. 'AA' ratings denote expectations of very low default risk. They indicate very strong capacity for payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.
- A: High credit quality. 'A' ratings denote expectations of low default risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings.
- BBB: Good credit quality. 'BBB' ratings indicate that expectations of default risk are currently low. The capacity for payment of financial commitments is considered adequate, but adverse business or economic conditions are more likely to impair this capacity.

Speculative Grade

- BB: Speculative. 'BB' ratings indicate an elevated vulnerability to default risk, particularly in the event of adverse changes in business or economic conditions over time; however, business, or financial flexibility exists that supports the servicing of financial commitments.
- B: Highly speculative. 'B' ratings indicate that material default risk is present, but a limited margin of safety remains. Financial commitments are currently being met; however, capacity for continued payment is vulnerable to deterioration in the business and economic environment.
- CCC: Substantial credit risk. Very low margin for safety. Default is a real possibility.
- CC: Very high levels of credit risk. Default of some kind appears probable.
- C: Near default.

A default or default-like process has begun, or the issuer is in standstill, or for a closed funding vehicle, payment capacity is irrevocably impaired. Conditions that are indicative of a 'C' category rating for an issuer include:

- a. the issuer has entered into a grace or cure period following non-payment of a material financial obligation;
 - b. the issuer has entered into a temporary negotiated waiver or standstill agreement following a payment default on a material financial obligation;
 - c. the formal announcement by the issuer or their agent of a distressed debt exchange;
 - d. a closed financing vehicle where payment capacity is irrevocably impaired such that it is not expected to pay interest and/or principal in full during the life of the transaction, but where no payment default is imminent
- RD: Restricted default. 'RD' ratings indicate an issuer that in Fitch's opinion has experienced an uncured payment default or distressed debt exchange on a bond, loan or other material financial obligation but has not entered into bankruptcy filings, administration, receivership, liquidation or other formal winding up procedure, and has not otherwise ceased operating. This would include:
- i. the selective payment default on a specific class or currency of debt;

- ii. the uncured expiry of any applicable grace period, cure period or default forbearance period following a payment default on a bank loan, capital markets security or other material financial obligation;
- iii. the extension of multiple waivers or forbearance periods upon a payment default on one or more material financial obligations, either in series or in parallel; ordinary execution of a distressed debt exchange on one or more material financial obligations.
- D: Default. 'D' ratings indicate an issuer that in Fitch's opinion has entered into bankruptcy filings, administration, receivership, liquidation or other formal winding up procedure or that has otherwise ceased business. Default ratings are not assigned prospectively to entities or their obligations; within this context, non-payment on an instrument that contains a deferral feature or grace period will generally not be considered a default until after the expiration of the deferral or grace period, unless a default is otherwise driven by bankruptcy or other similar circumstance, or by a distressed debt exchange.

In all cases, the assignment of a default rating reflects the agency's opinion as to the most appropriate rating category consistent with the rest of its universe of ratings, and may differ from the definition of default under the terms of an issuer's financial obligations or local commercial practice.

The modifiers "+" or "-" may be appended to a rating to denote relative status within major rating categories. For example, the rating category 'AA' has three notch specific rating levels ('AA+', 'AA', 'AA-'; each a rating level). Such suffixes are not added to 'AAA' ratings and ratings below the 'CCC' category.

Recovery Ratings

Recovery Ratings are assigned to selected individual securities and obligations, most frequently for individual obligations of corporate finance issuers with IDRs in speculative grade categories.

Among the factors that affect recovery rates for securities are the collateral, the seniority relative to other obligations in the capital structure (where appropriate), and the expected value of the company or underlying collateral in distress.

The Recovery Rating scale is based on the expected relative recovery characteristics of an obligation upon the curing of a default, emergence from insolvency or following the liquidation or termination of the obligor or its associated collateral.

Recovery Ratings are an ordinal scale and do not attempt to precisely predict a given level of recovery. As a guideline in developing the rating assessments, the agency employs broad theoretical recovery bands in its ratings approach based on historical averages and analytical judgment, but actual recoveries for a given security may deviate materially from historical averages.

- RR1: Outstanding *recovery prospects given default*. 'RR1' rated securities have characteristics consistent with securities historically recovering 91%-100% of current principal and related interest.
- RR2: Superior *recovery prospects given default*. 'RR2' rated securities have characteristics consistent with securities historically recovering 71%-90% of current principal and related interest.
- RR3: Good *recovery prospects given default*. 'RR3' rated securities have characteristics consistent with securities historically recovering 51%-70% of current principal and related interest.
- RR4: Average *recovery prospects given default*. 'RR4' rated securities have characteristics consistent with securities historically recovering 31%-50% of current principal and related interest.
- RR5: Below average *recovery prospects given default*. 'RR5' rated securities have characteristics consistent with securities historically recovering 11%-30% of current principal and related interest.

RR6: *Poor recovery prospects given default.* ‘RR6’ rated securities have characteristics consistent with securities historically recovering 0%-10% of current principal and related interest.

Short-Term Credit Ratings

A short-term issuer or obligation rating is based in all cases on the short-term vulnerability to default of the rated entity and relates to the capacity to meet financial obligations in accordance with the documentation governing the relevant obligation. Short-term deposit ratings may be adjusted for loss severity. Short-Term Ratings are assigned to obligations whose initial maturity is viewed as “short term” based on market convention (a long-term rating can also be used to rate an issue with short maturity). Typically, this means up to 13 months for corporate, sovereign, and structured obligations, and up to 36 months for obligations in U.S. public finance markets.

- F1: *Highest short-term credit quality.* Indicates the strongest intrinsic capacity for timely payment of financial commitments; may have an added “+” to denote any exceptionally strong credit feature.
- F2: *Good short-term credit quality.* Good intrinsic capacity for timely payment of financial commitments.
- F3: *Fair short-term credit quality.* The intrinsic capacity for timely payment of financial commitments is adequate.
- B: *Speculative short-term credit quality.* Minimal capacity for timely payment of financial commitments, plus heightened vulnerability to near term adverse changes in financial and economic conditions.
- C: *High short-term default risk.* Default is a real possibility.
- RD: *Restricted default.* Indicates an entity that has defaulted on one or more of its financial commitments, although it continues to meet other financial obligations. Typically, applicable to entity ratings only.
- D: *Default.* Indicates a broad-based default event for an entity, or the default of a short-term obligation.

All dealers that buy, sell or trade the Fund's Shares, whether or not participating in this offering, may be required to deliver a prospectus in accordance with the terms of the dealers' agreements with the Fund's Distributor.

Investors should rely only on the information contained in this Prospectus. No dealer, salesperson or other individual has been authorized to give any information or to make any representations that are not contained in this Prospectus. If any such information or statements are given or made, investors should not rely upon such information or representations. This Prospectus does not constitute an offer to sell any securities other than those to which this Prospectus relates, or an offer to sell to, or a solicitation of an offer to buy from, any person in any jurisdiction where such an offer or solicitation would be unlawful. This Prospectus speaks as of the date of this Prospectus. Investors should not assume that the delivery of this Prospectus or that any sale made pursuant to this Prospectus implies that the information contained in this Prospectus will remain fully accurate and correct as of any time subsequent to the date of this Prospectus.